

Washington, Tuesday, April 26, 1960

## Contents

THE PRESIDENT	Fee for supplement to Merchant Vessels of the United States 35	Internal Revenue Service
Executive Orders	Defense Department	Corporation declarations of esti-
EXECUTIVE ORDERS: Amendment of Executive Order No. 10855, authorizing the in- spection of certain tax returns_ Creating an emergency board to investigate disputes between the	Notices: Procurement inspection services; policies and procedures for in-	mated income tax; authority delegation for granting time ex- tensions for filing
Akron & Barberton Railroad and other carriers, and certain of	Notices:	Interstate Commerce Commission
their employees 3567  EXECUTIVE AGENCIES	quest for funds for develop-	Notices:  Fourth section applications for
Agricultural Marketing Service	PROPOSED RULE MAKING: Coded jet routes:	Motor carrier transfer proceed-
Proposed Rule Making: Prunes grown in designated coun-	Establishment 35	97 bureaus and offices, assignment
ties in Washington and in Umatilla County, Oreg.; rec-	documents) 3596, 35	97 of duties 3608
ommended decision and oppor- tunity to file written exceptions with respect to marketing agree- ment and order		Labor Department  76 See Wage and Hour Division.
Rules and Regulations: Lemons grown in California and Arizona; handling limitation	Federal airways, associated con- trol areas, and control zones,	Land Management Bureau
Agriculture Department	points, modification and desig-	RULES AND REGULATIONS: Public land orders:
See Agricultural Marketing Service; Commodity Credit Corporation; Commodity Stabilization Service.	Federal Maritime Board Notices: Contracts, agreements and under-	Alaska 3578 Arizona 3577  Mines Bureau
Commerce Department	standings of common carriers by water 36	Notices: Redelegations of authority to exe-
See Federal Maritime Board.	Federal Power Commission	cute contracts; certain officials, Region II 3600
Commodity Credit Corporation	Notices:	
Rules and Regulations: Barley loan and purchase agree- ment program, 1960 crop 3570	Hearings, etc.:  Skelly Oil Co. et al	mission
<b>Commodity Stabilization Service</b>	Fish and Wildlife Service	Notices:  Hearings, etc.:
Rules and Regulations: Domestic sugar beet producing area; proportionate shares for	Rules and Regulations: Haddock and cod fisheries; chafing	Gulf Power Co
farms, 1960 crop 3574	gear mesh size 35	Public Service Company of Oklahoma and Central and
Customs Bureau	Interior Department	South West Corp 3604
Proposed Rule Making: Disclosure of names of exporters; termination of proposal	See Fish and Wildlife Service; Land Management Bureau; Mines Bureau.	Saxton Nuclear Experimental Corp. et al
		3565

#### CONTENTS

### Treasury Department

See also Customs Bureau; Internal Revenue Service.

NOTICES:

Rayon staple fiber from Cuba: determination of no sales at less than fair value\_\_\_\_\_

3599

### Wage and Hour Division

Learner employment certificates: issuance to various industries\_\_

### Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

3 CFR

### **EXECUTIVE ORDERS:** 10855 (amended by EO 10876) \_\_\_\_ 3569 10876\_\_\_

PROPOSED RULES:	3579
14 CED	

507 (2 documents) \_\_\_\_\_ 3575, 3576

600	3576
601	3576
PROPOSED RULES:	
600 (2 documents) 3596	3597
601	3597
602 (2 documents)	2507

#### 19 CFR

Proposed Rules:	
24	3579
26	3579

#### 43 CFR

1536 (revoked in part by PLO 2083)	3578
2082	3577
2083	3578

#### 50 CFR

	<b></b>	
155_		357

#### **Announcement**

#### CFR SUPPLEMENTS

(As of January 1, 1960)

The following Supplement is now available:

Title 50\_\_\_\_\_ \$0.70

Previously announced: Title 3 (\$0.60); Titles 4-5 (\$1.00); Title 7, Parts 1-50 (\$0.45); Parts 51-52 (\$0.45); Parts 53-209 (\$0.40); Title 8 (\$0.40); Title 9 (\$0.35); Titles 10-13 (\$0.50); Title 18 (\$0.55); Title 20 (\$1.25); Titles 22-23 (\$0.45); Title 25 (\$0.45); Title 26 (1939), Parts 1-79 (\$0.40); Parts 80-169 (\$0.35); Parts 170-182 (\$0.35); Parts 300 to End (\$0.40); Title 26, Part 1 (§§ 1.01-1.499) (\$1.75); Parts 1 (§ 1.500 to End)-19 (\$2.25); Parts 20-169 (\$1.75); Parts 170-221 (\$2.25); Part 300 to End (\$1.25); Titles 28-29 (\$1.75); Titles 30-31 (\$0.50); Title 32, Parts 700-799 (\$1.00); Parts 800-999, Revised (\$3.75); Part 1100 to End (\$0.60); Title 33 (\$1.75); Title 36, Revised (\$3.00); Title 38 (\$1.00); Title 43 (\$1.00); Title 46, Parts 1-145 (\$1.00); Parts 146-149, Revised (\$6.00); Part 150 to End (\$0.65); Title 47, Parts 1-29 (\$1.00); Part 30 to End (\$0.30); Title 49, Parts 1-70 (\$1.75); Parts 91-164 (\$0.45); Part 165 to End (\$1.00).

Order from the Superintendent of Documents, Government Printing Office, Washington 25, D.C.



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tendent of Documents. Prices of books and pocket supplements vary

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## Presidential Documents

### Title 3—THE PRESIDENT

**Executive Order 10875** 

CREATING AN EMERGENCY BOARD TO INVESTIGATE DISPUTES BE-**TWEEN THE AKRON & BARBERTON** RAILROAD AND OTHER CARRIERS, AND CERTAIN OF THEIR EMPLOY-

WHEREAS disputes exist between the Akron & Barberton Belt Railroad and other carriers represented by the Eastern, Western, and Southeastern Carriers' Conference Committees, designated in List A attached hereto and made a part hereof, and certain of their employees represented by eleven cooperating (nonoperating) railway labor organizations, designated in List B attached hereto and made a part hereof, on the subject of improvements in vacation and holiday rules, and the carriers' counter proposals; and

WHEREAS disputes exist between the Akron & Barberton Belt Railroad and other carriers represented by the Eastern, Western, and Southeastern Carriers' Conference Committees, designated in List C attached hereto and made a part hereof, and certain of their employees represented by eleven cooperating (non-operating) railway labor organizations, designated in List D attached hereto and made a part hereof, on the subject of improvements in health and welfare plan, group life insurance, inclusion of cost-of-living adjustments in basic wage rates, and a general wage rate increase of twenty-five cents per hour, and the carriers' counter proposals; and

WHEREAS these disputes have not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

WHEREAS these disputes, in the judgment of the National Mediation Board, threaten substantially to interrupt interstate commerce to a degree such as to deprive the country of essential transportation service:

NOW, THEREFORE, by virtue of the authority vested in me by section 10 of the Railway Labor Act, as amended (45 U.S.C. 160), I hereby create a board of three members, to be appointed by me, to investigate these disputes. No member of the board shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier.

The board shall report its findings to the President with respect to the disputes within thirty days from the date of this order.

As provided by section 10 of the Railway Labor Act, as amended, from this date and for thirty days after the board has made its report to the President, no change, except by agreement, shall be made by the Akron & Barberton Belt Railroad or any other carrier represented New York Central System—Continued by the Eastern, Western, and Southeastern Carriers' Conference Committees, or by their employees, in the conditions out of which these disputes arose.

DWIGHT D. EISENHOWER

THE WHITE HOUSE. April 22, 1960.

LIST A

EASTERN REGION

Akron & Barberton Belt Railroad Akron, Canton & Youngstown Railroad Ann Arbor Lake Michigan Car Ferries Ann Arbor Railroad Co. Baltimore & Ohio Railroad Co. B&O Chicago Terminal B&O R.R. Co. N.Y. Term. Region B&O Warehouse (Cincinnati) Blue Line Transfer Camden Warehouses, Inc. Curtis Bay Railroad Dayton & Union Railroad Locust Point Grain Elevators Staten Island Rapid Transit Strouds Creek & Muddlety Railroad Terminal Storage Co., Washington Bessemer & Lake Eric Railroad Co. Boston & Maine Railroad Co. Boston Terminal Co. Brooklyn Eastern District Terminal Buffalo Creek Railroad Bush Terminal Co. Canadian National Railways:

Canadian National Railway-State of New

Canadian National Railway—Lines in New England C.N.R. Elevator, Portland, Maine

Frt. Office & Facilities (Blk Rk & Buffalo) Champlain & St. Lawrence Railroad St. Clair Tunnel Company

United States & Canada Railroad Co. Canadian Pacific Railways in the U.S. Central Railroad Co. of New Jersey New York & Long Branch Railroad

Wharton & Northern Railroad Central Vermont Railway Chicago Union Station Co. Cincinnati Union Terminal Co. Dayton Union Railway Co. Delaware & Hudson Railroad Delaware, Lackawanna & Western R.R. Detroit & Toledo Shore Line Railroad Detroit Terminal Railroad Co. Detroit, Toledo & Ironton Railroad Erie Railroad Co. Grand Trunk Western Railroad Co. Hoboken Shore Railroad Co. Indianapolis Union Railway Co.

Lake Terminal Railroad Co. Lehigh & New England Railroad Co. Lehigh Valley Railroad Co. Long Island Railroad Co. Maine Central Railroad Co.

Portland Terminal Co. Monon Railroad Monongahela Railway Co.

Montour Railroad Newburgh & South Shore Railway Co. New Jersey & New York Railroad New York Central System:

N.Y. & Eastern Dist. (Excel. B&A Div.) Boston & Albany Division Grand Central Terminal Buffalo Stock Yards Melrose Central Building NYC Grain Elevator, Weehawken, N.J. Western District

Ohio Central Division Northern District

Southern District

Peoria & Eastern L. & J. B. & R.R. Indiana Harbor Belt

Chicago River & Indiana Railroad Chicago Junction Railway Pittsburgh & Lake Erie Railroad

Lake Erie & Eastern Railroad Cleveland Union Terminals Trov Union Railroad

New York Connecting Railroad Co. New York, Chicago & St. Louis R.R. Co.

Wheeling & Lake Erie New York Dock Railway

New York, New Haven & Hartford R.R. New York, Susquehanna & Western R.R. Co. Pennsylvania Railroad Co.

Baltimore & Eastern Railway Co. Pennsylvania-Reading Seashore Lines Pittsburgh & West Virginia Railway Pittsburgh, Chartiers & Youghlogheney Railroad Perishable Inspection Agency

Reading Company

Philadelphia, Reading & Pottsville Telg. Co.

River Terminal Railway Co. Toledo Terminal Railroad Union Depot Co. (Columbus, Ohio) Union Freight Railroad (Boston) Union Railroad Co. Washington Terminal Co. Western Maryland Railway Western Warehouse Co. (Maryland) Youngstown & Northern Railroad Co.

WESTERN REGION

Alton & Southern Railroad Atchison, Topeka & Santa Fe Railway Dining Car Department Gulf, Colorado & Santa Fe National Carloading Newton, Kansas Laundry Workers Panhandle & Santa Fe Railway San Bernardino, Cal Laundry Workers
Tie & Timber Treating Plant, Somerville,

Tie & Timber Treating Plant, Albuquerque, N.M.

Bauxite & Northern Belt Railway of Chicago Camas Prairie Railroad Co. Chicago & Eastern Illinois Railroad

Chicago Heights Terminal & Transfer Co. Chicago & Illinois Midland Chicago & North Western Rallway Chicago & Western Indiana Chicago, Burlington & Quincy Railroad Chicago Great Western Railway Co. Chicago, Milwaukee, St. Paul & Pacific Chicago Produce Terminal Co. Chicago, Rock Island & Pacific Ry. Colorado & Southern Railway Colorado & Wyoming Railway Denver & Rio Grande Western Railroad Denver Union Terminal Railway Des Moines Union Railway Duluth, Missabe & Iron Range Railway

Duluth, South Shore & Atlantic Duluth Union Depot & Transfer Co. Duluth, Winnipeg & Pacific Railway East St. Louis Junction Railroad Elgin, Joliet & Eastern Railway El Paso Union Passenger Depot Fort Worth & Denver Railway Co. Galveston, Houston & Henderson Railroad Great Northern Railway

Green Bay & Western Kewaunee, Green Bay & Western R.R. Houston Belt & Terminal Railway Illinois Central Railroad

Chicago & Illinois Western Railroad Illinois Northern Railway Illinois Terminal Railroad

Joint Tex. Division of CRI&P & FW&D Kansas City Southern Railway Arkansas Western Railway Fort Smith & Van Buren Joplin Union Depot Co. Kansas City Terminal Railway King Street Passenger Station (Seattle) Lake Superior & Ishpeming Los Angeles Junction Railway Louisiana & Arkansas Railway Co. Manufacturer's Railway Midland Valley Railroad Kansas, Oklahoma & Gulf Railway Oklahoma City, Ada, Atoka Railway
Milwaukee-Kansas City Southern Jt. Agency
Minneapolis & St. Louis Railway
Railway Transfer Co., City of Minneapolis
Minneapolis, Northfield & Southern Ry. Minneapolis, St. Paul & Sault Ste. Marie
Minnesota & Manitoba
Minnesota Transfer Railway
Minneapolis Industrial Ry. (Minn. Western)
Missouri-Kansas-Texas Railroad Co. Beaver, Meade & Englewood Railroad Missouri-Kansas-Texas R.R. Co. of Texas Missouri Pacific Railroad: Southern & Western Districts Gulf District
Missouri-Illinois Railroad
Sedalia Reclamation Plant
Northern Pacific

Northern Pacific Term. Co. of Oregon Northwestern Pacific Railroad Ogden Union Railway & Depot Co. Oklahoma City Stock Yards Agency Paducah & Illinois Railroad Co. Peoria & Pekin Union Railway Port Terminal R.R. Assn. (Houston) Pueblo Joint Interchange Bureau St. Joseph Terminal Railroad Co. St. Louis—San Francisco Railway St. Louis, San Francisco of Texas

St. Louis Southwestern Railway St. Paul Union Depot Co. San Diego & Arizona Eastern Sioux City Terminal Railway Southern Pacific Co. (Pacific Lines) Spokane, Portland & Seattle Railway

Oregon Electric Railway Oregon Trunk Railway Terminal Railroad Assn. of St. Louis Texarkana Union Station Trust Texas & New Orleans Railroad
Texas & Pacific Railway
Abilene & Southern Railway
Ft. Worth Belt Railway Texas-New Mexico Railway

Texas Short Line Railway
Weatherford, Mineral Wells & No. Western
Texas Mexican Railway Co.
Texas-Pacific—Missouri Pacific Term. RR of

New Orleans

New Orleans
Toledo, Peoria & Western Railroad
Union Pacific Railroad
Union Railway Co. (Memphis)
Union Terminal Co. (Dallas) Wabash Railroad Co. Walla Walla Valley Railway Co. Western Pacific Railroad Western Weighing & Inspection Bureau Wichita Terminal Association Wichita Union Terminal Railway

#### SOUTHEASTERN REGION

Albany Passenger Terminal Company Atlanta & West Point Western Railway of Alabama Atlanta Joint Terminals Atlanta Terminal Company Atlantic Coast Line Railroad Birmingham Southern Railroad Co. Central of Georgia Railway Co.
Charleston & Western Carolina Ry. Co.
Chesapeake & Ohio Ry. (Chesapeake Dist.)
Chesapeake & Ohio Ry. (Pere Marquette.) Clinchfield Railroad Florida East Coast Railway Georgia Railroad Co. Augusta Union Station Co. Augusta & Summerville Railroad

Gulf, Mobile & Ohio Jacksonville Terminal Co. Kentucky & Indiana Terminal Railroad Louisville & Nashville Railroad Nashville Chattanooga & St. L. Dist. Macon Terminal Norfolk & Portsmouth Belt Line Norfolk & Western Railway Richmond, Fredericksburg & Potomac Potomac Yard Richmond Terminal Railway Co.
Seaboard Air Line Railway Company
Southern Railway
Alabama Great Southern Ry.
Cincinnati, New Orleans & Texas Pacific Georgia Southern & Florida Harriman & Northeastern R.R. Co. New Orleans & Northeastern R.R. New Orleans Terminal Co. St. Johns River Terminal Co. Tennessee Central Railway

Virginian Railway Co.

1960 VACATION AND HOLIDAY MOVEMENT-CO-OPERATING RAILWAY LABOR ORGANIZATIONS

International Association of Machinists International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers Sheet Metal Workers' International Associa-

tion International Brotherhood of Electrical

Workers Brotherhood of Railway Carmen of America

International Brotherhood of Firemen and Oilers

Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Sta-tion Employes Brotherhood of Maintenance of Way Em-

ployes
The Order of Railroad Telegraphers
Brotherhood of Railroad Signalmen
Hotel and Restaurant Employees and Bartenders International Union.

#### LIST C

Akron & Barberton Belt Railroad

Akron, Canton & Youngstown Railroad

#### EASTERN · REGION

Akron Union Passenger Depot Company Ann Arbor Lake Michigan Car Ferries Ann Arbor Railroad Company Baltimore & Ohio Railroad Company B&O Chicago Terminal B&O R.R. Co. N.Y. Terminal Region B&O Warehouse (Cincinnati) Blue Line Transfer Camden Warehouses, Inc. Curtis Bay Railroad
Dayton & Union Railroad
Locust Point Grain Elevators
Staten Island Rapid Transit Strouds Creek & Muddlety Railroad Terminal Storage Co., Washington
Bessemer & Lake Erie Railroad Company
Boston & Maine Railroad Company
Boston Terminal Company
Brooklyn Eastern District Terminal Bush Terminal Company Canadian National Railways:
Can. Natl. Ry.—State of New York
Can. Natl. Ry.—Lines in New England C.N.R. Elevator, Portland, Me. Frt. Offc & Facilities (BlkRk & Buffalo) Champlain & St. Lawrence Railroad St. Clair Tunnel Company United States & Canada Railroad Company Canadian Pacific Railways in the U.S. Central Railroad Company of New Jersey New York & Long Branch Railroad Wharton & Northern Railroad Central Vermont Railway Chicago Union Station Company Cincinnati Union Terminal Company Dayton Union Railway Company Delaware & Hudson Railroad Delaware, Lackawanna & Western Railroad

Detroit & Toledo Shore Line Railroad Detroit Terminal Railroad Company Detroit, Toledo & Ironton Railroad Grand Trunk Western Railroad Company
Hoboken Shore Railroad Company
Indianapolis Union Railway Company
Lake Terminal Railroad Company Lehigh & New England Railroad Company Lehigh Valley Railroad Company Long Island Railroad Company Maine Central Railroad Company Portland Terminal Company Monon Railroad Monongahela Railway Company Montour Railroad Newburgh & South Shore Railway Company
New York Central System:
N.Y. & Eastern Dist. (Excl. B&A Div.)
Boston & Albany Division
Grand Central Terminal Buffalo Stock Yards Melrose Central Building
NYC Grain Elevator, Weehawken, N.J. Western District Ohio Central Division Northern District
Southern District
Peoria & Eastern
L. & J. B. & R.R.
Indiana Harbor Belt Chicago River & Indiana Railroad Chicago Junction Railway Pittsburgh & Lake Erie Railroad Lake Erie & Eastern Railroad Cleveland Union Terminals Troy Union Railroad New York Connecting Railroad Company New York, Chicago & St. Louis Railroad
Company
Wheeling & Lake Erie
New York Dock Railway New York Dock Railway
New York, New Haven & Hartford
New York, Susquehanna & Western R.R. Co.
Pennsylvania Railroad Company
Baltimore & Eastern Railway Company Pennsylvania-Reading Seashore Lines

Pittsburgh & West Virginia
Pittsburgh, Chartiers & Youghlogheney
Railroad Perishable Inspection Agency
Reading Company
Philadelphia, Reading & Pottsville Tele-

Philadelphia, Reading & Pottsville Te graph Co. River Terminal Railway Company Toledo Terminal Railroad Union Depot Company (Columbus, Ohio) Union Freight Railroad (Boston) Union Inland Freight Station (New York) Union Railroad Upper Merion & Plymouth Washington Terminal Company Western Maryland Railway Youngstown & Northern Railroad Company

#### WESTERN REGION

Alton & Southern Railroad Atchison, Topeka & Santa Fe Railway
Dining Car Department
Gulf, Colorado & Santa Fe National Carloading Newton, Kansas Laundry Workers Panhandle & Santa Fe Railway
San Bernardino, Cal. Laundry Workers
Tie & Tmbr. Trtg. Plnt., Somerville, Tex.
Tie & Tmbr. Trtg. Plnt., Albuquerque, N.M.
Bauxite & Northern Bauxite & Northern

Belt Railway of Chicago

Camas Frairie Railroad Company

Chicago & Eastern Illinois Railroad

Chicago Heights Terminal & Trsfr. Co.

Chicago & Illinois Midland

Chicago & North Western Railway

Chicago & Western Indiana Chicago, Burlington & Quincy Railroad Chicago Great Western Railway Company Chicago Milwaukee, St. Paul & Pacific Chicago Produce Terminal Company Chicago, Rock Island & Pacific Railway Colorado & Southern Railway

Colorado & Wyoming Railway Davenport, Rock Island & North Western Denver & Rio Grande Western Railroad Denver Union Terminal Railway Des Moines Union Railway Duluth, Missabe & Iron Range Railway Duluth, South Shore & Atlantic Duluth Union Depot & Transfer Company Duluth, Winnipeg & Pacific Railway East St. Louis Junction Railroad Elgin, Joliet & Eastern Railway El Paso Union Passenger Depot Fort Worth & Denver Railway Company Galveston, Houston & Henderson Railroad Great Northern Railway Green Bay & Western
Kewaunee, Green Bay & Western R.R. Houston Belt & Terminal Railway Houston Beit & Terminal Railway
Illinois Central Railroad
Chicago & Illinois Western Railroad
Illinois Northern Railway
Illinois Terminal Railroad Joint Texas Division of CRI&P & FW&D Joliet Union Depot Company Kansas City Southern Railway Arkansas Western Railway Fort Smith & Van Buren Joplin Union Depot Company Kansas City Terminal Railway Keokuk Union Depot Company King St. Psgr. Station (Seattle)

Manufacturer's Railway Midland Valley Railroad Kansas, Oklahoma & Gulf Railway Oklahoma City, Ada, Atoka Railway Milwaukee-Kansas City Southern Jt. Agcy. Minneapolis & St. Louis Railway

Los Angeles Junction Railway Louisiana & Arkansas Railway Company

Lake Superior & Ishpeming

Railway Transfer Co., City of Mpls. Minneapolis, Northfield & Southern Railway Mpls., St. Paul & Sault Ste. Marie

Minnesota & Manitoba Minnesota Transfer Railway Minneapolis Industrial Railway Missouri & Ill. Bridge & Belt R.R. Company

Missouri-Kansas Texas Railroad Company Beaver, Meade & Englewood Railroad Missouri-Kansas-Texas RR Company of Texas

Missouri Pacific Railroad: Southern & Western Districts Gulf District Missouri-Illinois Railroad Sedalia Reclamation Plant Northern Pacific

Timber Trig. Plant—Brainerd, Minn.
Timber Trig. Plant—Paradise, Mont.
Northern Pacific Terminal Company of

Oregon

Northwestern Pacific Railroad Ogden Union Railway & Depot Company Oklahoma City Stock Yards Agency Paducah & Illinois Railroad Company Peoria & Pekin Union Railway Peoria Terminal Company
Port Terminal R.R. Assn. (Houston)
Pueblo Joint Interchange Bureau
St. Joseph Terminal Railroad Company St. Louis-San Francisco Railway

St. Louis San Francisco of Texas

St. Louis Southwestern Railway St. Paul Union Depot Company San Diego & Arizona Eastern Sioux City Terminal Railway Southern Pacific Co. (Pacific Lines) Spokane, Portland & Seattle Railway

Oregon Electric Railway Oregon Trunk Railway Terminal Railroad Assn. of St. Louis Texarkana Union Station Trust Texas & New Orleans Railroad Texas & Pacific Railway

Abilene & Southern Railway Ft. Worth Belt Railway Texas—New Mexico Railway
Texas Short Line Railway Weatherford, Mineral Wells & No. Western Texas Mexican Railway Company Tex-Pac-Mo.-Pac Term. RR of N'Orleans Toledo, Peoria & Western Railroad Trans-Continental Frt. Bureau—South Union Pacific Railroad Union Railway Company (Memphis)

Union Railway Terminal Company (Dallas) Wabash Railroad Company Walla Walla Valley Railway Company Western Pacific Railroad Western Weighing & Inspection Bureau Wichita Terminal Association Wichita Union Terminal Railway

#### SOUTHEASTERN REGION

Albany Passenger Terminal Company Atlanta & West Point Western Railway of Alabama Atlanta Joint Terminals Atlanta Terminal Company Atlantic Coast Line Railroad Birmingham Southern Railroad Company Central of Georgia Railway Company Charleston & Western Carolina Railway Company Chesapeake & Ohio Railway (Chesapeake Chesapeake & Ohio Railway (Pere Marquette) Clinchfield Railroad Florida East Coast Railway Georgia Railroad Company Augusta Union Station Company

Augusta & Summerville Railroad Gulf, Mobile & Ohio Jacksonville Terminal Company Kentucky & Indiana Terminal Railroad Louisville & Nashville Railroad Nashville Chattanooga & St. L. Dist. Macon Terminal

Norfolk & Portsmouth Belt Line Norfolk & Western Railway Richmond, Fredericksburg & Potomac

Potomac Yard Richmond Terminal Railway Company Seaboard Air Line Railway Company Southern Railway
Alabama Great Southern Railway

Cincinnati, New Orleans & Tex. Pac. Georgia Southern & Florida Harriman & Northeastern R.R. Co. New Orleans & Northeastern R.R. New Orleans Terminal Company St. Johns River Terminal Company Tennessee, Central Railway Virginian Railway Company

LIST D

1960 HEALTH AND WELFARE AND WAGE MOVE-MENT-COOPERATING RAILWAY LABOR GANIZATIONS

International Association of Machinists International Brotherhood of Boilermakers. Iron Ship Builders, Blacksmiths, Forgers and Helpers

Sheet Metal Workers' International Association

International Brotherhood of Electrical Workers

Brotherhood of Railway Carmen of America International Brotherhood of Firemen and Oilers

Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes

Brotherhood of Maintenance of Way Employes

The Order of Railroad Telegraphers Brotherhood of Railroad Signalmen

Hotel and Restaurant Employees and Bartenders International Union.

[F.R. Doc. 60-3786; Filed, Apr. 22, 1960; 4:28 p.m.]

#### Executive Order 10876

#### AMENDMENT OF EXECUTIVE ORDER NO. 10855,1 AUTHORIZING THE INSPECTION OF CERTAIN TAX RE-**TURNS**

By virtue of the authority vested in me by sections 55(a) and 508 of the Internal Revenue Code of 1939 (53 Stat. 29, 111, 54 Stat. 1008; 26 U.S.C. 55(a) and 508), and by section 6103(a) of the Internal Revenue Code of 1954 (68A Stat. 753; 26 U.S.C. 6103(a)), it is hereby ordered that the first paragraph of Executive Order No. 10855 of November 27, 1959, entitled "Inspection of Income Tax Returns by the Senate Committee on the Judiciary", be, and it is hereby, amended (1) by deleting therefrom "1945 to 1958" and inserting in lieu thereof "1945 to 1959", and (2) by inserting therein "or Senate Resolution 238, 86th Congress, agreed to February 8, 1960," immediately after "Senate Resolution 57, 86th Congress, agreed to February 2, 1959,"

This order shall be effective upon its filing for publication in the FEDERAL REGISTER.

DWIGHT D. EISENHOWER

THE WHITE HOUSE, April 22, 1960.

[F.R. Doc. 60-3813; Filed, Apr. 25, 1960; 9:50 a.m.1

<sup>&</sup>lt;sup>1</sup>24 F.R. 9565; 3 CFR, 1959 Supp., p. 145.

## Rules and Regulations

# Title 6—AGRICULTURAL

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B-LOANS, PURCHASES, AND OTHER OPERATIONS

[1960 C.C.C. Grain Price Support Bulletin 1, Supp. 1, Barley

#### PART 421-GRAINS AND RELATED COMMODITIES

#### Subpart-1960-Crop Barley Loan and Purchase Agreement Program

A price support program has been announced for the 1960-crop of barley. The 1960 C.C.C. Grain Price Support Bulletin 1 (25 F.R. 2380), issued by the Commodity Credit Corporation and containing the regulations of a general nature with respect to price support operations for certain grains and other commodities produced in 1960 is supplemented as follows:

421.5076 Purpose. 421.5077 Availability of price support. 421.5078 Eligible barley. 421.5079 Warehouse receipts. Determination of quantity. 421.5080 Determination of quality. 421.5081 421.5082 Maturity of loans. 421.5083 Determination of support rates. 421.5084 Warehouse charges.

Inspection of barley under purchase 421.5085

agreement.

421.5086 Settlement.

Sec.

AUTHORITY: §§ 421.5076 to 421.5086 issued under sec. 4, 62 Stat. 1070 as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, sec. 105, 401, 63 Stat. 1051, as amended, Title II, 73 Stat. 178, 15 U.S.C. 714, 7 U.S.C. 1421, 1441, 1442,

#### § 421.5076 Purpose.

Sections 421.5076 to 421.5086 state additional specific regulations which, together with the general regulations contained in the 1960 C.C.C. Grain Price Support Bulletin 1, (§§ 421.5001 to 421.-5022), apply to loans and purchase agreements under the 1960-crop Barley Price Support Program.

#### § 421.5077 Availability of price support.

- (a) Method of support. Price support will be available through farm-storage and warehouse-storage loans and through purchase agreements.
- (b) Area. Farm-storage and warehouse-storage loans and purchase agreements will be available wherever barley is grown in the United States, except that farm-storage loans will not be available in areas where the State committee determines that barley cannot be safely stored on the farm.
- (c) Where to apply. Application for price support should be made at the office of the county committee which

farm.

(d) When to apply. Loans and purchase agreements will be available from the time of harvest through January 31. 1961, and the applicable documents must be signed by the producer and delivered to the office of the county committee not later than such date. Applicable documents referred to herein include the Producer's Note and Loan Agreement for warehouse-storage loans, the Producer's Note and Supplemental Loan Agreement and the Commodity Chattel Mortgage, for farm-storage loans, and the Purchase Agreement for purchase agree-

#### § 421.5078 Eligible barley.

Barley, to be eligible for price support, must meet all of the applicable requirements set forth in this section.

- (a) The barley must have been produced in the United States in 1960 by an eligible producer.
- (b) At the time the barley is placed under loan or delivered under a purchase agreement the beneficial interest in the barley must be in the eligible producer tendering the barley for loan or for delivery under a purchase agreement, and must always have been in him, or must have been in him and a former producer whom he succeeded before the barley was harvested. Any producer who is in doubt as to whether his interest in the commodity complies with the requirements of this subpart should make available to the county committee all pertinent information prior to filing an application, which will permit a determination to be made by CCC as to his eligibility for price support. To meet the requirements of succession to a former producer, the rights, responsibilities and interest of the former producer with respect to the farming unit on which the barley was produced shall have been substantially assumed by the producer claiming succession. Mere purchase of the crop prior to harvest, without acquisition of any additional interest in the farming unit shall not constitute succession. The county committee shall determine whether the requirements with respect to succession have been met.
- (c) Barley, at the time it is placed under loan, and barley under purchase agreement which is in approved warehouse storage prior to notification by the producer of his intention to sell to CCC, must meet the following requirements:
- (1) The barley must be of any class grading No. 4 or better (or No. 4 Garlicky or better), except that Western Barley shall have a test weight of not less than 40 pounds per bushel.
- (2) Barley grading Tough, Weevily, Stained if Western Barley, Blighted, Bleached, Ergoty, or Smutty, or containing mercurial compounds or other substances poisonous to men or animals, shall not be eligible, except that barley

keeps the farm program records for the represented by warehouse receipts grading Tough will be eligible if the warehouseman certifies on the supplemental certificate or on a statement attached to the warehouse receipt substantially as follows: "On barley grading 'Tough' delivery will be made of the same countryrun quality, quantity and grade, not Tough, and no lien for processing will be claimed by the warehouseman from Commodity Credit Corporation or any subsequent holder of the warehouse receipt.'

- (3) If offered as security for a farmstorage loan, the barley must have been stored in the granary at least 30 days prior to its inspection for measurement, sampling, and sealing, unless otherwise approved by the State committee.
- (d) Except as otherwise provided in § 421.5085(a), barley under purchase agreement stored in other than approved warehouse storage shall not be eligible for sale to CCC, if it does not meet the requirements of paragraph (c) (1) and (2) of this section on the basis of a predelivery inspection performed by a representative of the county committee, unless the producer complies with the conditions specified in § 421.5085(a) and the barley on the basis of the inspection made at the time of delivery meets the requirements set forth in paragraph (c) (1) and (2) of this section.

#### § 421.5079 Warehouse receipts.

Warehouse receipts representing barley in approved warehouse storage to be placed under a warehouse-storage loan or delivered in satisfaction of a farmstorage loan or acquired under a purchase agreement, must meet the following requirements of this section:

- (a) Warehouse receipts presented for warehouse-storage loans must be issued in the name of the producer and for deliveries under farm-storage loans or purchase agreements, in the name of the producer or CCC, and must be properly endorsed in blank when issued in the name of the producer so as to vest title in the holder. The receipts must be issued by a warehouse for which a Uniform Grain Storage Agreement is in effect and which is approved by CCC for price support purposes, or must be receipts issued on warehouses operated by Eastern common carriers under tariffs approved by the Interstate Commerce Commission for which custodian agreements are in effect.
- (b) (1) Each warehouse receipt or the warehouseman's supplemental certificate (in duplicate), properly identified with the warehouse receipt must show: (i) Gross weight and net bushels, (ii) class, (iii) grade (including special grades), (iv) test weight, (v) dockage, (vi) any other factor(s) when such factor(s) and not test weight determine the grade, and (vii) whether the barley arrived by rail, truck or barge. In the case of barley delivered by rail or barge, the grading factors on the warehouse receipts must

agree with the inbound inspection certificate for the car or barge if such certificate is issued.

(2) If the warehouseman has furnished a statement as provided in § 421.5078 (c) (2), the supplemental certificate must show the numerical grade and the grading factors of the barley to be delivered. Where the grade and grading factors shown on the supplemental certificate do not agree with the warehouse receipt, the factors shown on the supplemental certificate shall take precedence.

(c) A separate warehouse receipt must be submitted for each grade and class of barley.

(d) The warehouse receipt may be subject to liens for warehouse charges, only to the extent indicated in § 421.5084.

(e) Warehouse receipts representing barley which has been shipped by rail or water from a country shipping point to a designated terminal point or shipped by rail or water from a country shipping point and stored in transit to a designated terminal point, must be accompanied by registered freight bills, or by a certificate containing similar informa-These registered freight bills or certificates must be representative as to origin and date of movement of the grain shipped. The form of these certificates will be prescribed by the CSS commodity office and shall be signed by the warehouseman and may be made a part of the supplemental certificate.

(f) If the receipt is issued for grain of which the warehouseman is the producer and the owner either solely, jointly, or in common with others, the fact of such ownership shall be stated on the receipt. Such receipts shall also be registered or recorded with appropriate State or local officials when required by State law. In States where the pledge of warehouse receipts by a warehouseman on his own barley is not valid under State law and the warehouseman elects to deliver barley to CCC under a purchase agreement for which he is eligible under this program, the warehouse receipt shall be issued in the name of CCC.

(g) Each warehouse receipt or accompanying supplemental certificate representing grain stored in an approved warehouse operating under the Uniform Grain Storage Agreement shall indicate that the barley is insured, in accordance with such Agreement. Each warehouse receipt or accompanying supplemental certificate issued on warehouses operated by Eastern common carriers and representing barley to be placed under loan shall indicate that the barley is insured at the full market value against loss or damage by fire, lightning, inherent explosion, windstorm, cyclone and tornado. The cost of such insurance shall not be for the account of CCC.

### § 421.5080 Determination of quantity.

(a) The quantity of barley placed under farm-storage loan may be determined either by weight or by measurement. The quantity of barley delivered under a farm-storage loan or under a purchase agreement shall be determined by weight. The quantity of barley on which a warehouse-storage loan shall be made and the quantity delivered to or

acquired by CCC in an approved warehouse under a farm-storage loan or purchase agreement shall be the net weight of the barley represented by the warehouse receipt or on the supplemental certificate if applicable.

(b) When the quantity is determined by weight, a bushel shall be 48 pounds of clean barley free of dockage. In determining the quantity of sacked barley by weight, a deduction of three-fourths of a pound for each sack shall be made.

(c) When the quantity of barley is determined by measurement, a bushel shall be 1.25 cubic feet of barley testing 48 pounds per bushel. The quantity determined shall be the following percentage of the quantity determined for 48pound barley:

50	barley te pounds	or	over	 	 
	pounds				
48	pounds				
47	pounds				
46	pounds				
45	pounds				
44	pounds				
43	pounds				
42	pounds				
41	pounds				
40	pounds				
	pound	ls _		 	 

(d) The percentage of dockage shall be determined and the weight of such dockage shall be deducted from the gross weight of the barley in determining the net quantity available for loan or purchase.

#### § 421.5081 Determination of quality.

The grade, class, grading factors, and all other quality factors shall be determined in accordance with the methods set forth in the Official Grain Standards of the United States for Barley. whether or not such determinations are made on the basis of an official inspection.

#### § 421.5082 Maturity of loans.

Nonrecourse loans mature on demand but not later than February 28, 1961, in the States of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, New Jersey, North Carolina, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia, not later than March 10, 1961, in Arizona and California, and not later than April 30, 1961, in all other States. Recourse loans mature on January 31, 1962. The maturity date for a loan shall be the maturity date for the State where the barley is stored.

#### § 421.5083 Determination of support rates.

Basic support rates for barley will be set forth in 1960 C.C.C. Grain Price Support Bulletin 1, Supplement 2, Barley. Support rates will be established for barley stored in approved warehouse storage at designated terminal markets. and for barley stored in approved country warehouses and in approved farm storage. The support rate for the quality of barley placed under a loan or delivered under a purchase agreement shall be the applicable basic support rate adjusted in accordance with the provisions of this section and 1960 C.C.C. Grain Price Support Bulletin 1, Supplement 2, Barley.

(a) Support rates at designated terminal markets. (1)(i) In order to be eligible for loan or purchase at the support rate established for designated terminal markets the barley must have been shipped on a domestic interstate freight rate basis. The support rate at the designated terminal market on any barley shipped at other than the domestic interstate freight rate, shall be reduced by the difference between the freight rate paid and the domestic interstate freight rate.

(ii) The support rates established for designated terminal markets apply to barley which has been shipped by rail or water from a country shipping point to one of the designated terminal markets as evidenced by paid freight bills duly registered for transit privileges: Provided, That in the event the amount of paid-in freight is insufficient to guarantee the minimum proportional domestic interstate freight rate, if any, from the terminal market to a recognized market as determined by CCC, there shall be deducted from the applicable terminal support rate the difference between the amount of freight actually paid in and the amount required to be paid in to guarantee outbound movement at the minimum proportional domestic interstate freight rate.

(2) (i) Notwithstanding the foregoing provisions of this paragraph, the support rate for barley which is shipped by rail or water and stored at any designated terminal market and for which neither registered freight bills nor registered freight certificates are presented shall be determined by making a deduction from the terminal rate as follows:

> Amount of deduction (cents per

	ousnei)
Atchison, Kans	6
Kansas City, Mo	
Saint Joseph, Mo	6
Omaha, Nebr	
Saint Louis, Mo	6
Sioux City, Iowa	10
Minneapolis, Minn	10
Saint Paul, Minn	10
Chicago, Ill	10
Milwaukee, Wis	10
Memphis, Tenn	

(ii) The support rate for barley received by truck and stored at any designated terminal market shall be the terminal rate minus an amount to be announced at a later date by an amendment to this subdivision.

(3) (i) Notwithstanding the foregoing provisions of this paragraph, the support rate for barley shipped by rail or water and stored at any of the following terminal markets shall be equal to the applicable terminal rate:

Los Angeles, San Francisco, Stockton, and Oakland, Calif. New Orleans, Baton Rouge, La. Baltimore, Md. Duluth, Minn, Portland and Astoria, Oreg. Albany and New York, N.Y. Philadelphia, Pa. Galveston, Houston and Port Arthur, Tex. Norfolk, Va. Seattle, Longview, Tacoma, and Vancouver, Wash. Superior, Wis.

- (ii) Notwithstanding the foregoing provisions of this paragraph, the support rate for barley received by truck and stored at any of the terminal markets listed in subdivision (i) of this subparagraph shall be determined by making a deduction from the terminal rate an amount to be announced at a later date by an amendment to this subdivision, plus the transportation cost, if any, as determined by the appropriate CSS commodity office for moving the barley to a tidewater loading facility located within the same switching limits.
- (b) Support rates for barley in approved warehouse storage at other than designated terminal markets. (1) The support rate for barley which is shipped by rail or water and stored in approved warehouses (other than those situated in the designated terminal markets) shall be determined by deducting from the rate for the appropriate designated terminal market, as determined by CCC, an amount equal to the transit balance, if any, of the through-freight rate from point of origin for such barley to such terminal market: Provided, That on any barley shipped at other than the domestic interstate freight rate, the support rate shall be further reduced by the difference between the freight rate paid and the domestic interstate freight rate from the point of origin of such barley to the point of storage: And provided further, That in the case of barley stored at any railroad transit point, taking a penalty by reason of out-of-line movement to the appropriate designated market, or for any other reason, there shall be added to such transit balance an amount equal to any out-of-line costs or other costs incurred in storing barley in such position.
- (2) The warehouse receipts must be accompanied by the original paid freight bills or certificates of the warehouseman and other required documents as set forth in § 421.5079.
- (c) Discounts and premiums. (1) The basic support rates shall be adjusted by all applicable premiums and discounts listed in 1960 C.C.C. Grain Price Support Bulletin 1, Supplement 2, Barley.
- (2) The basic support rates in 1960 C.C.C. Grain Price Support Bulletin 1, Supplement 2, Barley, will also be subject to the following provisions applicable to barley affected by State, district, or county weed control laws: Where the State committee determines that State. district, or county weed control laws, as administered, affect the barley crop, the support rate in the case of farm storage shall be 10 cents below the applicable county support rate unless the producer obtains a certificate from the appropriate weed control official indicating that the

barley complies with the weed control laws. In the case of warehouse storage, whenever the State committee of the State in which the barley is stored determines that State, district or county weed control laws as administered affect barley stored in approved warehouses, the rate shall be 10 cents below the applicable support rate unless the producer obtains a certificate from either the appropriate State, county or district weed control official or the storing warehouseman that the barley complies with the weed control laws, and in the case of the warehouseman, that he will save CCC harmless from loss or penalty because of the weed control laws. The certificate of the warehouseman may be in substantially the following form:

This is to certify that the grain evidenced by warehouse receipt No. \_\_\_\_ issued to \_\_\_\_\_ is not subject to seizure or other action under weed control laws or regulations in effect at point of storage. It is further certified and agreed that should such grain be taken over by CCC in settlement of a loan or be purchased under the purchase agreement program that the undersigned will save CCC from loss or penalty under weed control laws or regulations in effect at the point the grain was stored under the above warehouse receipt.

(Signature) (Address)

(Date)

(3) For the purpose of determining premiums and discounts, factors which cause barley of the subclass Malting Barley or Blue Malting Barley to have a lower numerical grade than if the barley were graded under a different subclass shall be disregarded.

#### § 421.5084 Warehouse charges.

(a) (1) Warehouse receipts and the barley represented thereby stored in an approved warehouse operating under the Uniform Grain Storage Agreement may be subject to liens for warehouse handling and storage charges at not to exceed the Uniform Grain Storage Agreement rates from the date the barley is deposited in the warehouse for storage: Provided, That the warehouseman shall not be entitled to satisfy the lien by sale of the commodity when CCC is holder of the warehouse receipt. Where the date of deposit (the date of the warehouse receipt if the date of deposit is not shown) on warehouse receipts representing barley stored in warehouses operating under the Uniform Grain Storage Agreement is on or before the applicable maturity date to be determined in accordance with § 421.5082, there shall be deducted in computing the amount of the loan or purchase price the storage charges per bushel, to be announced later by an amendment to this paragraph, unless written evidence has been submitted with the warehouse receipt that all warehouse charges, except receiving and loading-out charges have been prepaid through the applicable maturity date to be determined in accordance with § 421.5082. In the case of recourse loans, there shall also be deducted the

receiving and loading-out charges per bushel (to be announced later by an amendment to this paragraph), unless written evidence has been submitted with the warehouse receipt that such charges have been prepaid.

(2) Notwithstanding the foregoing provisions of this paragraph, if the date the storage charges start against the holders of the warehouse receipt is shown on the warehouse receipt or supplemental certificate and such date is prior to the maturity date of loans for the commodity but subsequent to the date of deposit of the commodity in the warehouse the deduction for storage in computing the amount of loan or purchase price shall be for the period from the date storage charges start against

holders of the warehouse receipt through the applicable maturity date to be determined in accordance with § 421.5082. (b) Warehouse receipts and the bar-

ley represented thereby stored in approved warehouses operated by Eastern common carriers may be subject to liens for warehouse elevation (receiving and delivering) and storage charges from the date of deposit at rates approved by the Interstate Commerce Commission: Provided, That the warehouseman shall not be entitled to satisfy the lien by sale of the commodity when CCC is holder of the warehouse receipt. There shall be deducted in computing the loan or purchase price, the amount of the approved tariff rate for storage (not including elevation), which will accumulate from the date of deposit through the applicable maturity date to be determined in accordance with § 421.5082 and in the case of recourse loans the approved tariff rate for elevation charges, unless written evidence is submitted with the warehouse receipt that such charges have been prepaid. The county office shall request the CSS commodity office to determine the amount of such charges. Where the producer presents evidence showing that elevation charges have been prepaid, the amount of the storage charges to be deducted, in the case of nonrecourse price support, shall be reduced by the amount of the elevation charges prepaid by the producer.

#### § 421.5085 Inspection of barley under purchase agreement.

(a) Predelivery inspection. the producer has given written notice within the 30-day period prior to the nonrecourse loan maturity date of his intent to sell his barley stored in other than an approved warehouse under purchase agreement to CCC, the county office shall make an inspection of the barley and obtain a sample of the barley and submit it for grade analysis prior to delivery of the barley. If the barley, on the basis of the predelivery inspection, is of a quality which meets the requirements for a farm-storage loan, the county office shall issue delivery instructions on or after the date of inspection. The producer must then complete delivery within a 15-day period immediately following the date the county office issues delivery instructions unless the county office determines that more time is needed for the delivery. The producer

whose barley is stored in other than an approved warehouse and whose barley is not of a quality eligible for a loan at the time of the predelivery inspection shall be notified in writing by the county office that his barley is not eligible for purchase by CCC. If, nevertheless, the producer informs the county office that he will condition the barley or otherwise take action to make the barley eligible and insists upon delivery of the barley, the county office shall issue delivery instructions. In such case, the producer shall be further informed that if such barley, upon delivery and before purchase, does not meet the eligibility requirements of § 421.5078(c) (1) and (2) as determined on the basis of sample taken at the time of delivery, the barley will not be accepted for purchase by CCC. A predelivery inspection shall not be made on barley stored commingled in warehouses not approved for storage or on barley in an unapproved warehouse which is stored so that the identity of the producer's barley is maintained but a predelivery inspection is not possible. When a predelivery inspection is not made, such barley at the time of delivery must meet the eligibility requirements of § 421.5078(c) (1) and (2).

(b) Inspection of barley stored by producer, after maturity date. The producer may be required to retain the barley stored in other than approved warehouse storage under purchase agreement for a period of 60 days after the nonrecourse loan maturity date without any cost to CCC. CCC will not assume any loss in quantity or quality of the barley covered by a purchase agreement occurring prior to delivery to CCC, except for quality deterioration under the following circumstances. If a producer has properly requested delivery instructions for barley which was determined to be of an eligible grade and quality at the time of the predelivery inspection, and CCC cannot accept delivery within the 60-day period following the nonrecourse loan maturity date, the producer may notify the county office at any time after such 60-day period that the barley is going out of condition or is in danger of going out of condition. Such notice must be confirmed in writing. If the county office determines that the barley is going out of condition or is in danger of going out of condition and that the barley cannot be satisfactorily conditioned by the producer, and delivery cannot be accepted within a reasonable length of time, the county office shall obtain an inspection and grade and quality determination. When delivery is completed, settlement shall be made on the basis of such grade and quality determination or on the basis of the grade and quality determination made at the time of delivery, whichever is higher, and on the basis of the quantity actually delivered.

#### § 421.5086 Settlement.

(a) Settlement value—(1) Nonrecourse farm-storage loans. In the case of eligible barley delivered to CCC from farm storage under nonrecourse loan, settlement shall be made at the applicable support rate determined in accordance with paragraph (b) of this section.

The support rate shall be for the grade and quality of the total quantity of barley eligible for delivery. If upon delivery, the barley under nonrecourse farm-storage loan is of a grade or quality for which no support rate has been established, the settlement value shall be computed at the support rate established for the grade and quality of the barley placed under loan, less the difference, if any, at the time of delivery, between the market price for the grade and quality placed under loan and the market price of the barley delivered, as determined by CCC: Provided, however, That if such barley is sold by CCC in order to determine its market price, the settlement value shall not be less than such sales price: And provided further, That, if, upon delivery, such barley contains mercurial compounds or other substances poisonous to man or animals, the barley shall be sold for seed (in accordance with applicable State seed laws and regulations), fuel, or industrial use where the end product will not be consumed by man or animals, and the settlement value shall be the same as the sales price, except that if CCC is unable to sell the barley for the use specified above, the settlement value shall be the market value, as determined by CCC, as of the date of delivery.

(2) Nonrecourse warehouse-storage loans. Settlement for eligible barley under nonrecourse warehouse-storage loans not redeemed on maturity and represented by warehouse receipts issued by an approved warehouse shall be made on the basis of the weight, grade, and other quality factors shown on the warehouse receipts or accompanying documents at the applicable support rate determined in accordance with paragraph (b) of this section.

(3) Purchase agreement. Subject to the provisions of § 421.5019 the following shall apply: (i) Delivery from farm storage. Settlement for barley delivered to CCC from farm-storage meeting the eligibility requirements of § 421.5078(c) (1) and (2) as determined by a reinspection at the time of delivery, shall be made at the applicable support rate for the grade and quality of the quantity eligible for delivery on the basis of such inspection. Such support rate shall be determined in accordance with paragraph (b) of this section. If barley which was determined to be eligible at the time of the predelivery inspection is, upon delivery, of a grade or quality for which no support rate has been established, the settlement value shall be computed at the support rate established for the grade and quality of the eligible barley as determined at the time of the predelivery inspection, less the difference, if any, at the time of delivery, between the market price for the grade and quality of the barley determined by the predelivery inspection and the market price of the barley delivered, as determined by CCC: Provided, however, That if such barley is sold by CCC in order to determine its market price, the settlement value shall not be less than such sales price: And provided further, That if, upon delivery, the barley contains mercurial compounds or other substances poisonous to man or animals.

the barley shall be sold for seed (in accordance with applicable State seed laws and regulations), fuel, or industrial uses where the end product will not be consumed by man or animals, and the settlement value shall be the same as the sales price, except that if CCC is unable to sell such barley for the use specified above, the settlement value shall be the market value, as determined by CCC, as of the date of delivery.

(ii) Delivery from approved ware-house storage. In the case of eligible barley stored commingled in an approved warehouse, the producer must, not later than the day following the loan maturity date, or during such period of time thereafter as may be specified by the county committee, submit to the office of the county committee warehouse receipts under which the warehouseman guarantees quality and quantity for the quantity of barley he elects to sell to CCC. Settlement for eligible barley delivered under purchase agreement to CCC by submission of warehouse receipts issued by an approved warehouse shall be made on the basis of the weight, grade and other quality factors shown on the warehouse receipt or accompanying documents at the applicable support rate determined in accordance with paragraph (b) of this section,

(iii) Delivery from unapproved ware-house storage. The county office will issue instructions on or after the loan maturity date for delivery of barley in a warehouse not approved for storage which is stored commingled, or which is stored so that the identity of the producer's barley is maintained but a predelivery inspection is not possible where the producer has properly given the county office written notice of his intent to sell such barley to CCC. Settlement for such barley delivered to CCC which meets the eligibility requirements of § 421.5078(c) (1) and (2) shall be made at the applicable support rate for the grade and quantity eligible for delivery. Such support rate shall be determined in accordance with paragraph (b) of this setion. If a predelivery inspection of the producer's barley can be made, the provisions of § 421.5085 shall apply and settlement will be the same as for barley delivered under a purchase agreement from farm storage as provided in subdivision (i) of this subparagraph.

(iv) Barley ineligible for delivery, inadvertently accepted by CCC. The settlement provisions of this subparagraph shall apply to the following categories of barley ineligible for delivery which is inadvertently accepted by CCC and which CCC determines it is not in a position to reject:

(a) Barley which was of an ineligible grade or quality both at the time of the predelivery inspection and at the time of the delivery as redetermined by a reinspection; (b) barley of an ineligible grade or quality which is delivered to CCC in excess of the maximum quantity stated in the purchase agreement; (c) barley in a warehouse not approved for storage which is stored commingled or stored so that the identity of the producer's barley is maintained but a predelivery inspection is not possible, and which at the time of the delivery does

not meet the eligibility requirements of § 421.5078(c) (1) and (2). The settlement value shall be the market price for the grade, quality and quantity of such ineligible barley delivered as determined by CCC: Provided, however, That if such barley is sold by CCC in order to determine its market price, the settlement value shall not be less than the sales price: And provided further, That if upon delivery, the barley contains mercurial compounds or other substances poisonous to man or animals, such barlev shall be sold for seed (in accordance with applicable State seed laws and regulations), fuel, or industrial uses where the end product will not be consumed by man or animals, and the settlement value shall be the same as the sales price, except that if CCC is unable to sell such barley for the use specified above, the settlement value shall be the market value as determined by CCC as of the date of delivery. If barley delivered is of an eligible grade and quality but in excess of the maximum stated in the purchase agreement and such barley is inadvertently accepted by CCC, the settlement value shall be the sales price if the barley is immediately sold. If the barley is not immediately sold, the settlement value shall be the applicable support rate or the market price, as determined by CCC, whichever is lower.

(4) Notwithstanding the foregoing, if a warehouseman has made a certification on the warehouse receipt or supplemental certificate as specified in § 421.5078(c)(2), settlement for barley delivered to or acquired by CCC in an approved warehouse under a nonrecourse farm-storage loan or purchase agreement shall be based on the quality specified in such certification.

(5) Recourse farm-storage and warehouse-storage loans. Settlement of re-course farm-storage and warehousestorage loans shall be effected in accordance with the applicable provisions of § 421.5019 of 1960 C.C.C. Grain Price Support Bulletin 1.

(b) Applicable support rate for settlement of nonrecourse loans and eligible quantities delivered under purchase agreements. Subject to the provisions of § 421.5019 the support rate for settlement of nonrecourse loans and eligible quantities delivered under purchase agreements shall be determined as follows:

- (1) In the case of barley stored in an approved warehouse, settlement shall be made at the applicable support rate specified in § 421.5083 for the location in which the warehouse is located, except as otherwise provided in subparagraph (4) of this paragraph.
- (2) In the case of barley delivered from other than approved warehouse storage, settlement shall be made at the applicable support rate for the county in which the producer's customary shipping point (as determined by the county committee) is located except as otherwise provided in subparagraphs (3) and (4) of this paragraph.
- (3) If the producer is directed to deliver his barley to a terminal market for which a support rate is established, set-

rate for such terminal market.

(4) If two or more approved warehouses are located at the same or adjoining towns, villages, or cities having the same domestic interstate freight rate, such towns, villages, or cities shall be deemed to constitute one shipping point, and the same settlement rate shall apply even though such warehouses are not all located in the same county. Such settlement rate shall be the highest support rate of the counties involved.

(c) Storage deduction for early delivery. No deductions for storage shall be made for farm-stored barley under nonrecourse loan or purchase agreement authorized to be delivered to CCC prior to the loan maturity date except where it is necessary to call the loan through fault or negligence on the part of the producer or where the producer requests early delivery and the county committee approves the early delivery and determines such early delivery is solely for the convenience of the producer. The deduction for storage shall be made in accordance with the schedule of deductions for warehouse charges in § 421.5084.

(d) Refund of prepaid handling charges. In case a warehouseman charges the producer for the receiving or the receiving and loading-out charges on barley under nonrecourse loan or purchase agreement stored in an approved warehouse, the producer shall, upon delivery of the barley to CCC, be reimbursed or given credit by the county office for such prepaid charges in an amount not to exceed the charges specified in the storage agreement, provided the producer furnishes to the county committee written evidence signed by the warehouseman that such charges have been paid. In case an approved warehouse operated by an Eastern common carrier charges the producer for the elevation charges on barley under nonrecourse loan or purchase agreement, the producer shall, upon delivery of the barley to CCC, be reimbursed or given credit by the county office for such prepaid charges in an amount not to exceed the charges specified in the applicable approved tariff; provided the producer furnishes to the county committee written evidence signed by the warehouseman that such charges have been paid and that CCC has not previously given the producer credit for such charges as provided in § 421.5084(b).

(e) Storage payment where CCC is unable to take delivery of barley stored in other than an approved warehouse under nonrecourse loan or purchase agreement. The producer may be required to retain barley stored in other than an approved warehouse under nonrecourse loan or purchase agreement for a period of 60 days after the nonrecourse maturity date without any cost to CCC. However, if CCC is unable to take delivery of such barley within such 60-day period after maturity, the producer shall be paid a storage payment upon delivery of the barley to CCC: Provided, however, That a storage payment shall be paid a producer whose barley is stored in other than an approved warehouse under purchase agreement only if

tlement shall be based on the support he has properly given notice of his intentions to sell the barley to CCC and delivery cannot be accepted within such 60-day period after maturity. The period for earning such storage payment shall begin the day following the expiration of the 60-day period after the maturity date and extend through the final date of delivery, or the final date for deilvery as specified in the delivery instructions issued to the producer by the county office, whichever is earlier. The storage payment shall be computed at the storage rates for barley provided for in the Uniform Grain Storage Agreement in effect at the time of such storage.

(f) Track-loading payment. A trackloading payment of 3 cents per bushel shall be made to the producer on nonrecourse price support barley delivered to CCC on track at a country point.

(g) Compensation for hauling. If the producer is directed by the county office to deliver his nonrecourse price support barley to a point other than his customary shipping point, the producer shall be allowed compensation (as determined by CCC, at not to exceed the common carrier truck rate or the rate available from local truckers) for the additional cost of hauling the barley any distance greater than the distance from the point where the barley is stored by the producer to the customary shipping point: Provided, That if the producer is directed to deliver his barley to a terminal market for which a support rate is established, no compensation shall be allowed for hauling.

(h) Method of payment under purchase agreement settlements. When delivery of barley under purchase agreement is completed, payment will be made by sight draft drawn on CCC by the county office. The producer shall direct. on Commodity Purchase Form 4, to whom payment of the proceeds shall be

Issued this 20th day of April 1960.

CLARENCE D. PALMBY. Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 60-3752; Filed, Apr. 25, 1960; 8:49 a.m.]

### Title 7—AGRICULTURE

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

SUBCHAPTER G-DETERMINATION OF . PROPORTIONATE SHARES

[Sugar Determination 850.122, Amdt. 1]

#### PART 850-DOMESTIC BEET SUGAR PRODUCING AREA

#### Proportionate Shares for Farms; 1960 Crop

Pursuant to the provisions of section 302 of the Sugar-Act of 1948, as amended. § 850.122 (24 F.R. 10611) is hereby amended in two particulars.

1. An additional subparagraph is added to paragraph (b), as follows:

(3) Supplemental acreage allocations. In addition to the acreages allocated under subparagraph (1) of this paragraph, supplemental acreage allocations are made as follows:

State:	Acres
California.	3, 258
Colorado	2, 355
Idaho	1, 432
Illinois	32
Indiana	1
Iowa	22
Kansas	136
Michigan	1, 269
Minnesota	1, 206
Montana	92
Nebraska	1, 038
Nevada	,
New Mexico	13
North Dakota	629
Ohio	361
Oregon	319
South Dakota	97
Texas	29
Utah	552
Washington	555
Wisconsin	
Wyoming	626
**JV*****B	
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With respect to each of the aforestated supplemental State allocations, the ASC State Committee shall allot the acreage to individual farms in the State on which additional acreage can be utilized, in accordance with the provisions of paragraph (k) of this section. The acreage to be set aside for new producers and appeals in accordance with paragraph (g) of this section are not increased by the aforestated supplemental allocations.

### 2. Paragraph (k) is revised to read as follows:

(k) Distribution of unused proportionate share or unallotted acreage. Revisions in proportionate shares may be made within the State acreage allocation throughout the crop season, or during a part thereof, in accordance with procedures established by the State Committee to offset underplanting and failure to plant, to allot acreage made available under paragraph (b) (3) of this section, or to distribute to either old or new producers any acreage otherwise remaining unallotted. Such revisions may be effected on a sub-area basis, such as counties, sugar factory districts, or sugar company territories. In case of a disagreement between producers and a sugar beet processor with respect to the sugar beet purchase contract to be effective in the settlement area, or where no company offers a contract to producers to cover fully the shares established for their farms, the shares allotted to the farms operated by such producers shall not be reduced unless the affected producers voluntarily agree to reductions in their respective proportionate shares or the State Committee determines that such shares should be reduced because of unusual circumstances and for good cause and that the involved acreages should be reallotted by the State Committee to other producers.

#### STATEMENT OF BASES AND CONSIDERATIONS

The determination of proportionate shares for the 1960 crop established a national acreage limitation of 985,000 acres.

This total acreage was expected to yield the amount of sugar necessary for the area to meet its quota and deficit reallocations for 1960 and to restore year end inventories, which in recent years have declined from a normal level.

Recent reports indicate that the 1959-crop outturn of beet sugar will be smaller by at least 50,000 tons than was anticipated at the time the 1960-crop acreage limitation was established on December 18, 1959. To permit the area to meet quota requirement and restore year end inventories to a more normal level, this amendment increases the acreage allocated for the 1960 crop from 985,000 to 1,000,000 acres.

Practically all individual farm proportionate shares for the 1960-crop have been established by this date and a considerable part of the total sugar beet acreage has been planted. In view of these circumstances, and the fact that the total 1960-crop allocation is increased through this action by only one and onehalf percent, the acreage made available by the supplemental State allocations actually falls into a category very similar to unused or unallotted acreage. Accordingly, the acreage is to be distributed by ASC State Committees in accordance with paragraph (k) the original determination, as modified slightly to give recognition to the additional source of acreage.

Accordingly, I hereby find and conclude that the aforestated amendment to \$850.122 will effectuate the applicable provisions of the Sugar Act of 1948, as amended.

(Sec. 403, 61 Stat. 932; 7 U.S.C. Sup. 1153. Interprets or applies secs. 301, 302, 61 Stat. 929, 930, as amended; 7 U.S.C. Sup. 1131, 1132)

Issued this 20th day of April 1960.

TRUE D. Morse, Acting Secretary of Agriculture.

[F.R. Doc. 60-3734; Filed, Apr. 25, 1960; 8:47 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 842, Amdt. 1]

## PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

#### Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937. as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure. and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 953.949 (Lemon Regulation 842, 25 F.R. 3373) are hereby amended to read as follows:

(ii) District 2: 358,050 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: April 21, 1960.

G. R. Grange, Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-3750; Filed, Apr. 25, 1960; 8:48 a.m.]

# Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER C-AIRCRAFT REGULATIONS

[Reg. Docket No. 292; Amdt. 135]

### PART 507—AIRWORTHINESS DIRECTIVES

## Vickers Viscount 745D and 810 Aircraft

A proposal to amend Part 507 of the regulations of the Administrator to include an airworthiness directive requiring corrective action for cracks in the main undercarriage cross shaft bearing channels on Vickers Viscount 745D and 810 Series aircraft was published in 25 F.R. 1883.

Interested persons have been afforded an opportunity to participate in the making of the amendment. No objections were received.

In consideration of the foregoing \$507.10(a) (14 CFR Part 507), is hereby amended by adding the following new airworthiness directive:

VICKERS. Applies to all Viscount Model 745D and 810 Series aircraft.

Compliance required as indicated.

Due to cracks found in the flanges of the main undercarriage cross shaft bearing channels on the inboard and outboard sides of the rib at Station 131 on both wings, the following shall be accomplished:

(a) Aircraft which have accumulated 4,000 flights, or more, must be visually inspected, at intervals not to exceed 160 hours time in service beginning with the effective date of this AD, for cracks in the bearing channels (P/N 70103-1515ND and -1516ND for 700

Series aircraft; P/N 81003-1061ND and -1062ND for 810 Series aircraft) on the inboard side of the rib in the wheel bay area. Cracked bearing channels must be either repaired and reinforced in accordance with Vickers Mod. D. 2866, Parts (A) and (C) for Model 745D's, FG. 1513 Parts (A) and (C) for Model 810's or replaced and reinforced in accordance with Mod. D. 2866 Part (A) and FG. 1513 Part (A). Details of crack limits on repairable channels are specified in the respective Modification Leaflets.

(b) If wheel bay channels are found cracked, the corresponding channels on the outboard side of the rib in the tank bay area must be either repaired and reinforced or replaced and reinforced at the same time

as the inboard components.

(c) Not later than April 1, 1961, all aircraft must incorporate reinforced inboard and outboard bearing channels at rib Station 131 on both right and left wings in accordance with Vickers Mod. Bulletin D. 2866 Part (A) for Model 745D or FG. 1513 Part

(A) for Model 810 Series.
 (d) The inspections in (a) are no longer required after incorporation of the rein-

forcements. (Vickers-Armstrongs PTL 211 and Mod. D. 2866 for 700 Series aircraft and PTL 77 and Mod. FG. 1513 for 800/810 Series aircraft cover this subject.)

This amendment shall become effective upon date of its publication in the Feb-ERAL REGISTER.

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on April 19, 1960,

> JAMES T. PYLE. Acting Administrator.

[F.R. Doc. 60-3717; Filed, Apr. 25, 1960; 8:45 a.m.]

[Reg. Docket No. 353; Amdt. 136]

#### PART 507—AIRWORTHINESS **DIRECTIVES**

#### **Boeing 707 Series Aircraft**

Service experience has shown that certain inspection procedures on Boeing 707 main landing gear outer cylinders required by Amendment 76, 25 F.R. 335 and Amendment 122, 25 F.R. 2619 are unnecessary. Also, clarification is needed as to the specific inspections applicable to each of the Series. Therefore, to relieve the operators from an unnecessary burden, amendments 76 and 122 are being superseded by a new directive which deletes the unnecessary inspections and provides the clarification.

For the reasons stated above, the Administrator finds that notice and public procedure hereon are unnecessary and the amendment may be made effective upon publication in the FEDERAL REGISTER.

In consideration of the foregoing \$507.10(a) (14 CFR Part 507), is amended as follows:

Boeing. Applies to all Model 707 Series aircraft with main landing gear oleo outer cylinders having more than 500 hours time in service.

Compliance required as indicated.

Due to failure of main landing gear oleo outer cylinders in the area of upper torsion link lugs, the following inspections are required:

on Model 707-100 and 707-200 Series aircraft

unless spacer, Boeing P/N 69-11430 or equivalent, has been installed in accordance with

(1) Clean and remove paint from the outer cylinder surface within three inches of the outer cylinder torsion link lugs, excluding the area between lugs, using perchloroethylene or FAA approved equivalent.

(2) Using a 10-power glass, conduct a daily inspection of the area described in (a) (1).

(3) Every 65 hours time in service, inspect the area described in (a) (1) using fluorescent dye penetrant at temperatures of 50° F. or

above, or equivalent.
(b) The following must be accomplished every 65 hours time in service for all Model 707-300 and 707-400 Series aircraft:

(1) Clean and remove paint from the outer cylinder surface within three inches of the outer cylinder solid torsion link lug using perchloroethylene or FAA approved equiva-

(2) Inspect the outer cylinder lug using fluorescent dye penetrant at 50° F. or above, or equivalent.

(c) When spacer, Boeing P/N 69-11430 or equivalent, is installed between the outer cylinder torsion link lugs to interference fit of 0.001 to 0.005 inch on Model 707-100 and 707-200 Series aircraft, the following inspection may be substituted for the inspection required in (a): At the time of spacer installation, and every 65 hours time in service thereafter, inspect the outer cylinder lugs using fluorescent dye penetrant at 50° F. or above, or equivalent.
(d) Unless already accomplished, within

the next 300 hours time in service the following must be accomplished on all 707 series

aircraft:

(1) Round off to 1/2-inch radius the sharp corner at top outboard side of outboard lugs or top outboard side of solid lugs, from chamfer to where lug fairs with outer cylinder.

(2) Conduct magnetic particle inspection or equivalent of the outer cylinder surface described in (a) (1).

(e) If cracks are found during any of the above inspections, perform the following rework and inspections:

(1) Remove the defective area with hand file and smooth with No. 320 emery paper within the following limits: minimum radius 1.00 inch, maximum depth 0.03 inch and maximum length 1.00 inch.

(2) Fluorescent dye penetrant inspection at 50° F or above, or equivalent, is required after rework to verify removal of defects from cylinder.

(3) Cylinders with defects that cannot be removed within the rework limits given in (e) (1) must be replaced prior to further

(Boeing Service Bulletin No. 717 (R-1) and Boeing Telegraphic Service Bulletin No. 717 (R-1) dated March 7, 1960, cover this subject.)

Ultrasonic inspection using Sperry reflectoscope type UR or equivalent with Sperry surface wave crystal, style 50A656, frequency 2.25 MC, may be used in lieu of fluorescent dye penetrant inspection procedures. The ultrasonic inspection instrument should be set per instructions in Boeing Service Letter 6-7161-6-597 dated March 16, 1960.

This supersedes Admt. 76, 25 F.R. 335, and Amdt. 122, 25 F.R. 2619.

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on April 19, 1960.

> JAMES T. PYLE, Acting Administrator.

(a) The following must be accomplished [F.R. Doc. 60-3718; Filed, Apr. 25, 1960; 8:45 a.m.]

#### SUBCHAPTER E-AIR NAVIGATION REGULATIONS

[Airspace Docket No. 60-WA-501

#### PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEG-

#### Modification of Federal Airways, **Associated Control Areas, Control** Zone and Modification and Designation of Reporting Points

The purpose of these amendments to §§ 600.6014, 600.6038, 600.6144, 601.2401, and 601.7001 of the regulations of the Administrator is as follows: To modify the segment of VOR Federal airway No. 14 which extends from Indianapolis, Ind., to Findlay, Ohio; modify the segments of VOR Federal airways No. 38 and No. 144 which extends from Findlay to Appleton, Ohio; modify the Findlay control zone; modify the Coldwater, Ohio, intersection and designate the Antwerp, Ohio, intersection as a reporting point. These actions are necessitated by the relocation of the Findlay VOR.

Victor 14 presently extends in part between Indianapolis and Findlay via the Findlay VOR 250° True and the Indianapolis VORTAC 054° True radials. Victor airways 38 and 144 presently extend in part between Findlay and Appleton via the Findlay VOR 128° True and Appleton VOR 310° True radials. The Findlay. control zone is presently described as within a 5-mile radius of the Findlay Airport and within 2 miles either side of a line bearing 178° True extending from the Findlay radio beacon to a point 10 miles south of the radio beacon, and within 2 miles either side of a line bearing 218° True extending from the Findlay radio beacon to a point 10 miles southwest of the Findlay VOR. The Coldwater intersection is designated as the intersection of the Fort Wayne, Ind., VORTAC 148° True and the Findlay VOR 250° True radials.

The relocation of the Findlay VOR to a new site at latitude 40°58'18" N., longitude 83°45'21" W., on or about May 1. 1960, will require the following actions: Redesignate the segments of Victor 38 and 144 and their associated control areas between Findlay and Appleton via the Findlay VOR 131° True and the Appleton 312° True radials; redesignate the segment of Victor 14 and its associated control areas between Indianapolis and Findley via the Indianapolis VORTAC 054° True and the Findlay VOR 249° True radials; redesignate the Coldwater intersection as the Fort Wayne VORTAC 148° True and the Findlay 249° True radials, and modify the Findlay control zone southwest extension by redesignating the extension within 2 miles either side of a line bearing 229° True extending from the radio beacon to a point 12 miles southwest of the Findlay VOR. In addition, the Fed-

eral Aviation Agency is designating the Antwerp intersection (Intersection of the Fort Wayne, VORTAC 068° True and the Findlay VOR 289° True radials) as a designated reporting point. The control areas associated with these airways are so designated that they will automatically conform to the relocated VOR. Furthermore, the remaining airways based on the Findlay VOR are designated direct from other facilities to the Findlay VOR. Therefore, no amendments relating to the control areas for the airways modified herein and the other airways based on the Findlay VOR are necessary.

Since these amendments are minor in nature, compliance with the notice, public procedure, and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, these amendments will become effective more than 30 days after publication.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) §§ 600.6014 (24 F.R. 10506), 600.6038 (24 F.R. 10510), 600.6144 (24 F.R. 10518), 601.2401 (24 F.R. 10590) and 601.7001 (24 F.R. 10606) are amended as follows:

- 1. In the text of § 600.6014 VOR Federal airway No. 14 (Roswell, N. Mex., to Boston, Mass.), delete "INT of the Indianapolis VOR 054° and the Findlay VOR 250° radials;" and substitute therefor "INT of the Indianapolis VORTAC 054° T and the Findlay VOR 249° T radials;".
- 2. In the text of § 600.6038 VOR Federal airway No. 38 (Iowa City, Iowa, to Elkins, W. Va.), delete "INT of the Findlay VOR 128° and the Appleton VOR 310° radials;" and substitute therefor "INT of the Findlay VOR 131° T and the Appleton VOR 312° T radials;".

  3. In the text of § 600.6144 VOR Fed-
- eral airway No. 144 (Chicago, Ill., to Washington, D.C.), delete "INT of the Findlay VOR 128° and the Appleton VOR 310° radials;" and substitute therefor "INT of the Findlay VOR 131° T and the Appleton VOR 312° T radials;".
- 4. In the text of § 601.2401 Findlay. Ohio, control zone, delete "and within 2 miles either side of a line bearing 218° True extending from the Findlay nondirectional radio beacon to a point 10 miles southwest of the Findlay omnirange station." and substitute therefor "and within 2 miles either side of a line bearing 229° T extending from the Findlay RBN to a point 12 miles SW of the Findaly VOR."
- 5. In the text of § 601.7001 Domestic VOR reporting points:
- (a) Delete "Coldwater Intersection: The intersection of the Fort Wayne, Ind., omnirange 148° T and the Findlay, Ohio, omnirange 250° T radials". and substitute therefor "Coldwater INT: The INT of the Fort Wayne, Ind.,

VORTAC 148° T and the Findlay, Ohio, VOR 249° T radials."

(b) Add "Antwerp INT: The INT of the Fort Wayne, Ind., VORTAC 068° T and the Findlay, Ohio, VOR 289° T radials.'

These amendments shall become effective 0001 e.s.t. June 2, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on April 19, 1960.

GEORGE S. CASSADY, Acting Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3719; Filed, Apr. 25, 1960; 8:45 a.m.]

### Title 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

SUBCHAPTER I-NORTHWEST ATLANTIC COMMERCIAL FISHERIES

#### PART 155—HADDOCK AND COD **FISHERIES**

#### Miscellaneous Amendments

Notices of proposed rule making were published in the Federal Register on September 19, 1958 (23 F.R. 7323), and October 4, 1958 (23 F.R. 7710), which among other things, proposed to amend the 4½-inch minimum chafing gear mesh size in force in Sub-area 5 so as to also apply to Sub-area 4. The October 4 issuance invited the public to participate in the adoption of the proposed amendment by submitting written comments, suggestions, or objections to the Director, Bureau of Commercial Fisheries, Fish and Wildlife Service, Washington 25, D.C., on or before October 15, 1958. No written comments, however, were received from the public in response to the notice.

In accordance with the terms of the Convention for the Northwest Atlantic Fisheries, the Secretary of State, acting for the United States as the depository Government, on February 19, 1960 advised that all five signatory Governments in Panel 4 have now indicated their approval of the application of the 41/2-inch mesh requirements to Sub-area 4 of the Convention Area.

In the absence of any objection to the proposed rule, the Secretary of State proposed to the various Governments concerned that the change should be-come effective April 22, 1960. Having now been advised that no objection has been received to the proposed effective date, the following changes are therefore promulgated, to become effective April 22, 1960.

Section 155.3h(2)(iii) is amended by deleting "Sub-area 5" and substituting in lieu thereof "Sub-areas 4 and 5".

In order to correct a previous typographical error, § 155.3(d) is amended for Westerbeke #2 nylon braid average

mesh size from 5.6875 inches to 4.6875 inches. This change is substantive in nature.

(Sec. 7, 64 Stat. 1069; 16 U.S.C. 986, approved Sept. 27, 1950)

> FRED A. SEATON. Secretary of the Interior.

APRIL 22, 1960.

[F.R. Doc. 60-3779; Filed, Apr. 22, 1960; 12:55 p.m.]

### Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

APPENDIX-PUBLIC LAND ORDERS

[Public Land Order 2082] [Arizona 017672]

### **ARIZONA**

#### Withdrawing Lands for Use of Bureau of Public Roads for Right of Way Purposes

By virtue of the authority vested in the President by the act of June 4, 1897 (30 Stat. 34, 36; 16 U.S.C. 473), and otherwise, and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights, the following-described lands within the Sitgreaves National Forest, Arizona, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining but not the mineral leasing laws not the disposal of materials under the act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 601-604) as amended, and reserved under the jurisdiction of the Forest Service, Department of Agriculture, for use by the Bureau of Public Roads, Department of Commerce, for highway construction in furtherance of the purposes and objectives of the Act of August 27, 1958 (72 Stat. 885; 23 U.S.C. 101), under such conditions as may be prescribed by the Forest Service for necessary protection of the national forest and its resources:

#### GILA AND SALT RIVER MERIDIAN

T. 11 N., R. 14 E.

Sec. 21, SE¼SE¼; Sec. 22, S½NE¼, SE¼NW¼, N½SW¼, and SW14SW14;

Sec. 23, N1/2;

Sec. 24, N1/2 N1/2, exclusive of patented mining claims;

Sec. 28, NE1/4, SE1/4NW1/4, NW1/4SE1/4, and E1/2SW1/4;

Sec. 33, N1/2 NW1/4 and SW1/4 NW1/4. T. 11 N., R. 15 E.,

Sec. 19, N1/2 N1/2, exclusive of patented mining claims.

The areas described contain 283 acres.

ROGER ERNST. Assistant Secretary of the Interior.

APRIL 20, 1960.

[F.R. Doc. 60-3726; Filed, Apr. 25, 1960; 8:46 a.m.]

#### **RULES AND REGULATIONS**

[Public Land Order 2083] [Fairbanks 023649]

#### ALASKA

#### Partially Revoking Public Land Order No. 1536 of October 24, 1957

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

1. Public Land Order No. 1536 of October 24, 1957, which withdrew certain public lands in Alaska for recreational purposes, is hereby revoked so far as it affects the following described lands:

Denali Highway-MacLaren River Area

Beginning at a point on the centerline of the Denali Highway and the west end of the MacLaren River Bridge; thence

Westerly, 660 feet along the centerline of the Denali Highway;

Southerly, 660 feet;

Easterly, 660 feet to the west bank of the MacLaren River:

Northerly, 660 feet along the west bank of the MacLaren River to the point of beginning.

The tract described contains approximately 10 acres.

2. The lands are located at the Mac-Laren River Bridge on the Denali Highway which is approximately 39 miles west of the junction of the Denali and Richardson Highways. The lands consist of open, high altitude tundra and the soil is of silt and sand derived in place from the bed rock. The vegetation is comprised mostly of lichens, mosses, sedges, and low, often prostrate, shrubs.

3. This order shall not become effective to change the status of the unsurveyed lands described in paragraph 1 hereof until 10:00 a.m. on May 26, 1960. At that time they shall become subject

to application, petition, location, and selection under the applicable public land laws, including the mining laws, and to settlement under the homestead and Alaska homesite laws, subject to valid existing rights and the requirements of applicable law.

4. The State of Alaska has waived the preference right of selection granted to it by section 6(g) of the Alaska Statehood Act of July 7, 1958 (72 Stat. 339), and the act of July 28, 1956 (70 Stat. 709; 48 U.S.C. 46-3b).

Inquiries concerning the lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Fairbanks, Alaska.

> ROGER ERNST, Assistant Secretary of the Interior.

APRIL 20, 1960.

[F.R. Doc. 60-3727; Filed, Apr. 25, 1960; 8:46 a.m.]

# Proposed Rule Making

### DEPARTMENT OF THE TREASURY

**Bureau of Customs** [ 19 CFR Part 24 ]

**CUSTOMS FEES; REIMBURSEMENT** OF COSTS

Charge for Monthly Supplement to Merchant Vessels of the United

A charge should be imposed for the Monthly Supplement to the publication "Merchant Vessels of the United States" to meet the intent of Congress expressed in section 501, Independent Offices Appropriation Act of 1952 (5 U.S.C. 140), that, among other things, any publication, report, document, or similar thing of value or utility, furnished, prepared or issued by any Federal agency shall be self-sustaining to the full extent possible.

Notice is hereby given that pursuant to the authority contained in the above Act, it is proposed to amend section 24.12 (a) of the Customs Regulations to provide for the imposition and collection of a fee of \$4.20 for an annual subscription to the Monthly Supplement to "Mer-chant Vessels of the United States." If the proposed amendment is adopted, § 24.12(a) will be amended by the addition of a new subparagraph which will read as follows:

(4) A charge of \$4.20 shall be made for an annual subscription to the Monthly Supplement to "Merchant Vessels of the United States." Subscriptions shall be addressed to the Bureau of Customs and be accompanied by a remittance of \$4.20.

This notice is published pursuant to section 4 of the Administrative Procedure Act (5 U.S.C. 1003). Data, views, and arguments with respect to the proposed fee may be addressed to the Commissioner of Customs, Bureau of Customs, Washington 25, D.C., in writing. To assure consideration of such communications they must be received not later than 30 days after the publication of this notice in the Federal Register, No hearing will be held.

[SEAL]

RALPH KELLY, Commissioner of Customs.

Approved: April 20, 1960.

A. GILMORE FLUES, Acting Secretary of the Treasury.

[F.R. Doc. 60-3741; Filed, Apr. 25, 1960; 8:47 a.m.]

#### [ 19 CFR Part 26 ]

#### DISCLOSURE OF INFORMATION; NAMES OF EXPORTERS

#### Notice of Proposed Rule Making

Notice of a decision not to adopt amendments of the Customs Regulations mentioned in notice of proposed rule

making published in the FEDERAL REG-ISTER of March 10, 1959 (24 F.R. 1719).

Several hundred responses have been received commenting on proposed amendments to §§ 26.5(a), (b), and 26.7 (a), Customs Regulations, published as a notice of proposed rule making in the FEDERAL REGISTER of March 10, 1959, at page 1719, to permit the press to obtain from customs records and publish the names of shippers (exporters) of export shipments by vessel.

After careful consideration of the views, data, and arguments submitted in writing by exporters, vessel lines, freight forwarders and brokers, industry and trade associations, and all other parties which responded, it has been decided not to adopt the proposed amendments.

RALPH KELLY, Commissioner of Customs.

Approved: April 20, 1960.

A. GILMORE FLUES.

Acting Secretary of the Treasury.

[F.R. Doc. 60-3742; Filed, Apr. 25, 1960; 8:48 a.m.]

### DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1029]

[Docket No. AO-317]

HANDLING OF FRESH PRUNES **GROWN IN DESIGNATED COUN-**TIES IN WASHINGTON AND IN UMATILLA COUNTY, OREG.

#### Notice of Recommended Decision and Opportunity To File Written Exceptions With Respect to Proposed Marketing Agreement and Order

Pursuant to the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service. United States Department of Agriculture, with respect to a proposed marketing agreement and order regulating the handling of fresh prunes grown in designated counties in the States of Washington and Oregon, to be effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674), hereinafter referred to as the "act." Interested parties may file written exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington 25, D.C., not later than the close of business of the tenth day after publication of this recommended decision in the Federal Register. Exceptions should be filed in quadruplicate.

Preliminary statement. The public hearing, on the record of which the proposed marketing agreement and order (hereinafter referred to collectively as the "order") were formulated, was held at Yakima, Washington, on March 2 and 3, 1960, and continued at Milton-Freewater, Oregon, on March 4, 1960, pursuant to a notice thereof which was published February 9, 1960, in the FEDERAL REGISTER (25 F.R. 1127). Such notice set forth a proposed marketing agreement and order which had been presented to the Department of Agriculture by the Washington Italian Prune Growers Association, Yakima, Washington, with a petition for a hearing thereon.

Material issues. The material issues presented on the record of the hearing are as follows:

(1) The existence of the right to exercise Federal jurisdiction in this instance;

(2) The need for the proposed regulatory program to effectuate the declared purposes of the act;

(3) The definition of the commodity and determination of the production area to be affected by the order;

(4) The identity of the persons and transactions to be regulated; and

(5) The specific terms and provisions of the order including:

(a) Definition of terms used therein which are necessary and incidental to attain the declared objectives of the act, and including all those set forth in the notice of hearing, among which are those applicable to the following additional terms and provisions;

(b) The establishment, maintenance, composition, powers, duties, and operation of a committee which shall be the administrative agency for assisting the Secretary in administration of the

program;

(c) The incurring of expenses and the levying of assessments;

(d) Authority to establish marketing research and development projects;

(e) The method for regulating shipments of prunes grown in the production

(f) The provision of exemptions and the establishment of special regulations for prunes handled in certain types of shipments or for certain specified purposes:

(g) The requirement for inspection and certification of prunes handled;

(h) The establishment of reporting requirements for handlers;

(i) The requirements of compliance with all provisions of the order and with regulations issued pursuant thereto; and

(j) Additional terms and conditions as set forth in §§ 1029.62 through 1029.71 and published in Federal Register (25 F.R. 1127) on February 9, 1960, which are common to marketing agreements and orders, and certain other terms and conditions as set forth in §§ 1029.72 through 1029.74, and also published in the said

issue of the Federal Register, which are common to marketing agreements only.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence adduced at the hearing and the record thereof, are as follows:

(1) Except for a small volume from the States of New York and Michigan, the entire production of prunes for fresh market is centered in the States of Washington, Oregon, and Idaho. Prune production for fresh market in eastern Washington during the past 10 years has ranged from the low point of 10,000 tons in 1951 to the 21,000 tons peak production attained in 1955. During this same period, prune production in eastern Oregon has ranged from as low as 500 tons in both 1956 and 1958 to 15,600 tons in 1955. A severe freeze in November 1955 reduced the production in eastern Washington to a limited extent and drastically reduced production in eastern Oregon. The peak production of prunes in eastern Oregon during recent years was reached in 1955 but declined to 500 tons the following year. Early prunes and late prunes are considered dual purpose in that they can be and are used for both fresh market and processing. However, it is generally true that the greater percentage of the early prunes go into fresh market channels. Likewise, the greater percentage of the prunes that are processed are of the late varieties. Prunes from the production area are generally marketed throughout the United States. Among the more important markets are Chicago, New York, Philadelphia, Boston, St. Louis, Detroit, San Antonio, and Los Angeles. Seattle, Tacoma, and Spokane within the State of Washington and Portland, Oregon, are also important markets for eastern Washington-Oregon prunes. Canada is an important export market for eastern Washington-Oregon prunes. Prunes are also exported to a limited extent to Venezuela and Cuba, and are shipped to the States of Hawaii and Alaska.

Shipments of eastern Washington-Oregon prunes start about the second week of August and continue for approximately 85 days, or until about October 20. There is an overlapping of shipments of plums from California during the early part of the season, and during some seasons prunes from Idaho and Malheur County, Oregon, are being marketed in competition with prunes from the production area.

Any handling of prunes, grown in the production area, in fresh market channels exerts an influence on all other handling of such prunes in fresh form. Sellers of such prunes, as of other commodities, endeavor to transact their business so as to secure maximum returns for the prunes they have for sale. The seller of prunes continually surveys all accessible markets so that he may take advantage of the best possible opportunity to market the fruit. Markets within the States of Washington and Oregon provide opportunities to dispose of prunes the same as markets within other States, or for export; and the sale of a quantity of prunes in a market within Washington

or Oregon exerts an influence on all other sales of prunes. If shipments of prunes to markets outside Washington Oregon were regulated, while those within these States were unregulated, growers and handlers would attempt to market within these States all the lower quality prunes which could not be shipped under regulation. This would depress the price of prunes in Washington and Oregon markets to a level below that prevailing in markets outside such States. The existence of a lower price level for prunes marketed within Washington or Oregon would tend to depress the price for prunes sold in interstate markets. Buyers generally have ready access to market information; and knowledge of lower prices in one market is used in bargaining for prunes to be shipped into other markets, including those outside the States of Washington and Oregon. As a case in point, there are business concerns which have retail outlets in Seattle, and also in Minneapolis, Minnesota, and these concerns are well aware of the price situation in both markets. Furthermore, with large quantities of poor quality prunes available for sale in markets within the States of Washington or Oregon, there would be less opportunity to sell in such markets prunes meeting the requirements of the regulations established. The larger quantity of prunes, which would be required to be sold in interstate markets under such circumstances, would also tend to lower the level of prices in the interstate markets.

Itinerant truckers move a limited quantity of prunes mainly to intrastate markets. It is the general practice throughout the production area in Washington that when sales are made to truckers a transportation slip for each load is made out listing the intended destination for such fruit. Such information is more or less voluntarily given and sometimes has been found to be inaccurate. Often the transportation slip will show an intended destination, but the actual disposal of the prunes may be in another market. It is more than probable that one should expect below grade shipments destined for the Seattle-Tacoma area or to Spokane to be diverted to other markets outside the State, if prices were more favorable there than in markets within the State of Washington. Transportation slips are not required in Oregon and no record is currently available relative to the destination of truck shipments of prunes originating in Oregon. Under these circumstances, it would be virtually impossible to effect compliance with regulations governing interstate shipments if shipments to markets within such States were unregulated.

Hence, it is concluded that the movement and sale of Washington-Oregon prunes, whether to a market within the States of Washington and Oregon or outside thereof, affect prices of all prunes grown in the production area. Therefore, it is hereby found that all handling of such prunes grown in the production area are either in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce; and, except as hereinafter other-

wise provided, all handling of prunes grown in the production area should be subject to the authority of the act and of the order.

(2) Because of the severe freeze of November 1955, it is difficult to establish a recent pattern of production of prunes for fresh market. From 1950 through 1955 in the State of Washington production of prunes for fresh marsteadily increased. The freeze, while not as damaging to prune orchards in central Washington as in the southeastern portion of that State and in Umatilla County, Oregon, affected the trees extensively. As a result, instead of removing the trees and replanting as was done in southeastern Washington and Umatilla County, Oregon, many growers adopted a "wait and see" program. This resulted in extensive pruning within a year or so. As a result, production of prunes in eastern Washington during the 1956, 1957, and 1958 seasons averaged around 13,000 tons. However, a 1958 tree survey shows 266,500 prune trees in central Washington orchards are being maintained for production, of which slightly more than 10 percent are less than 5 years of age and will not attain full production for several years.

In regards to southeastern Washington and Umatilla County, Oregon, approximately 98 percent of the prune trees in this area were killed by the freeze in November 1955. However, 75,684 prune trees have been planted in Umatilla County since November 1955. Many of such trees are now producing prunes, but since most of them are less than C years of age, they are approximately 6 to 8 years away from full production. Estimates presented at the hearing indicate fresh prune shipments from Umatilla County will approximate 20 carloads in 1960, 200 to 300 carloads by 1965, and 800 carloads by 1969.

The importance of the prune in the economy of the production area was stressed. The economy depends almost entirely on the production and handling of fruits. Pruning, harvesting, and packing of prunes occur at times when labor and facilities are not being utilized for other fruit crops, and thus the prune is important to the efficient use of such factors in the total fruit industry. Prunes are not very commonly interplanted with other fruits. Only about 8 percent of the prune trees in central Washington were interplanted with other varieties of fruit in 1958.

The season average price for Washington prunes has exceeded the average parity price during five seasons since 1949. However, included in the five seasons are the three seasons of 1956, 1957, and 1958, all of which are after the disastrous freeze of November 1955 when Oregon production was drastically reduced, and during which the total production of prunes for fresh market was below normal. During the other seasons, the season average price has ranged from 21.0 percent to 77.4 percent of the equivalent. parity price. Average grower returns for fresh prunes marketed during the 1959 season are not yet available. Industry representatives report, however, that prices declined to the point where only the costs of harvesting and marketing the prunes were being realized and, as a result, many crops were not harvested for the fresh market. Comparable parity prices are not available for Umatilla County, Oregon because production since the freeze of November 1955 has been insignificant.

There are periods during each marketing season when prunes of particular sizes, qualities, and maturities did not return costs of harvesting and marketing. Prices for prunes are generally high at the beginning of the season, and growers and handlers are anxious to start shipping in order to take advantage of such prices. Under such circumstances, the earliest shipments often have not been sufficiently mature to give consumers satisfaction. It is believed that consumer dissatisfaction arising from the purchase and consumption of such prunes curtails demand for prunes. It is particularly important in view of the prospective increase in production, which as it develops will have to be absorbed by the market, that the prunes consumers receive are of desirable grade. quality, size, and maturity. Prunes of sizes which are smaller than the normal size range for the particular variety do not develop the flavor and quality characteristics that are desired by con-Shipment of such prunes desumers. presses the price for all prunes and contributes to disorderly marketing conditions for the desired sizes and qualities of such fruit. The establishment of regulations with respect to grade, quality, size, and maturity such as are contemplated under the order would provide a method whereby orderly marketing could be promoted. This would tend to effectuate the declared policy of the act.

Handlers have sometimes varied the dimensions of containers, presumably in order to gain a competitive advantage over others. The difference in dimensions of such containers may be so slight that a smaller container may be substituted for a larger one without customers being aware that it contains 2 or 3 pounds less fruit. The lack of standardized grade, size, quality, and containers has resulted in lack of stability in the marketing of Washington-Oregon prunes and has tended to alienate buyers and hence to reduce demand and market prices received for Washington-Oregon prunes.

Prices of Washington-Oregon prunes and total returns to the growers of such fruit could be augmented by restricting shipments in fresh market channels to prunes of desirable maturity, grade, size, and quality and limiting the containers used in making such shipments. When supplies of prunes are heavy, fruit of inferior grades and qualities, or of unde-sirable maturity or size, may be sold only at discounts, and, since competition in the marketing of prunes is based to a considerable extent on price, such discount sales tend to depress prices for all prunes being marketed. Restrictions on the shipment of such discounted fruit would, therefore, tend to increase prices for good quality prunes. Moreover, shipments of prunes which are of inferior grade or quality, or of undesirable size

or maturity, often do not sell at prices covering even the cash costs of harvesting and marketing. Restrictions on the shipment of such fruit would not only improve the grade, size, and quality of prunes marketed and promote buyer confidence in Washington - Oregon prunes, but would also improve the average returns to growers by preventing losses incurred through shipment of undesirable fruit. Moreover, the shipment of very poor quality prunes, including culls, immature fruit, extremely small sizes, and deteriorated fruit is rarely ever in the interest of consumers or producers. Prunes of such poor quality are not a value to the consumer because of poor flavor and excessive waste. Shipment of such prunes results in consumer dissatisfaction and destruction of the reputation of quality for Washington-Oregon prunes. Even when the season average price is above the parity level, it is not in the public interest to ship such poor quality prunes.

Restrictions on the size, capacity, dimensions, and pack of containers used in the marketing of Washington-Oregon prunes would enable buyers and handlers alike to know the exact quantity of prunes covered by prices quoted and thereby tend to increase trade confidence and stability in the marketing of the fruit.

Therefore, it is concluded that the establishment of the order, providing for the regulation of maturity, grade, size, and quality of shipments of Washington-Oregon prunes, and for the establishment of uniform containers to be used for such shipments, is necessary to effectuate the declared purposes of the act. Also, the establishment and maintenance in effect of minimum standards of quality and maturity, when prices are above the parity level, will effectuate such orderly marketing of Washington-Oregon prunes as will be in the public interest. The objective under such order is the tailoring of the supply of prunes, available for sale in fresh market channels to the demand in such outlet so that the fruit thus made available to buyers will be packaged uniformly and be of desirable maturity, grade, size, and quality. Such limitations on shipments of Washington-Oregon prunes should contribute to the establishment of more orderly marketing conditions for such fruit and tend to increase the demand therefor.

(3) The term "prunes" should be defined in the order to identify the commodity to be regulated thereunder. Such term, as used in the order, refers to all varieties of plums, as hereinafter defined, classified botanically as Prunus domestica, except those of the President variety. Prunes are readily distinguished from other fruits, and the term has a specific meaning to all producers and handlers of the commodity in the production area and to those who purchase and distribute in the receiving markets prunes grown in the production area.

The term "varieties" should be defined in the order, as hereinafter set forth, since it is proposed to provide authority in the order for issuance of separate regulations for different varieties. The principal varieties of prunes grown in the production area are Early Italian, Richards, Milton, Demaris, Stanley, Wetherspoon, and Late Italian. Each variety of prunes is a classification or subdivision of Prunus domestica and possesses definitive characteristics which serve to distinguish it. Recognition of different varieties of prunes is common throughout the production area and the distributing trade.

A definition of the term "production area" should be incorporated into the order as a means of delineating the area within which prunes must be grown for the handling thereof to be subject to regulation.

Such term should embrace all the territory within the Counties of Okanogan, Chelan, Kittitas, Yakima, and Klickitat in the State of Washington and all the counties in Washington lying east thereof and Umatilla County in the State of Oregon. Such area includes the Yakima Valley within which a very large percentage of the commercial crop of Washington prunes for fresh market is. produced. It also includes the Wenatchee Valley, the Columbia basin, the Walla Walla Valley in Washington within which areas scattered commercial orchards are located. Included in such area is Umatilla County, Oregon, which is commonly referred to as the Milton-Freewater district. A 1958 tree survey shows a total of 266,500 trees in central Washington. About 91 percent of these, or 262,000 trees, are located in the Yakima Valley, and 4,500 trees are located in the Wenatchee Valley. A 1959 tree survey shows a total of 75,684 trees in Umatilla County, Oregon. It was testified at the hearing that there are considerable commercial plantings of prunes which are in production in western Oregon and western Washington. Washington refers to that portion of the State west of the summit of the Cascade range. Prunes from such areas are primarily used for canning and processing. On a few occasions, generally during periods when the prune crop was in very short supply, attempts were made to market prunes for western Oregon and western Washington in fresh market channels. On each occasion such efforts met with disaster. One factor largely responsible for this condition is the presence of brown rot in this area which prevents such prunes from being marketed in a satisfactory condition even in local markets. Since there is very little likelihood, under existing circumstances. that any significant volume of prunes from the aforesaid area can be marketed in fresh channels, western Oregon and western Washington should be excluded from the production area at this time.

As mentioned heretofore, a very large percentage of the commercial production in Washington for fresh use is confined to the Yakima Valley. However, the area lying east and north thereof, in addition to the commercial orchards now in production or young orchards recently planted, contain areas having soil, water conditions, and general weather pattern of such nature to be potential producing acreage. The varieties now grown and those being planted generally are the same as, and compete with, prunes grown elsewhere in the production area.

It is necessary to include Umatilla County, Oregon, within the production area to be covered by the order. The production area in Walla Walla County, Washington, and Umatilla County, Oregon, is separated only by State lines. Production of prunes from the Milton-Freewater area has been practically nil since the disastrous freeze of November 1955. Shipments prior to the freeze were substantial. A total of 970 carloads of prunes were shipped during 1953, and a total of 1,119 carloads of prunes were shipped during 1955. The freeze of November 1955 killed approximately 98 percent of the trees. Those remaining were mostly 1- and 2-year-old trees. Such trees were damaged extensively and were heavily pruned. A January 1959 tree survey shows a total of 75.684 prune trees which have been planted since November 1955. A January 1960 tree survey, although complete information from this survey is not available, shows that there has not been much change in acreage since the spring of 1958. Prune trees usually start in production about the 4th year and full production is usually attained when the tree is 12 to 15 years of age. Even though the production from Milton-Freewater is expected to be light for the next few years, shipments are estimated at 20 carloads during 1960 and 200 to 300 carloads by 1965, the potential production of this area is approximately 800 carloads by 1969. The varieties of prunes produced in Umatilla County, Oregon, are the same as those in Washington and the marketing season is the same. In the past, prunes from Umatilla County, Oregon, were commingled with prunes from the Walla Walla area in Washington for packing and it is expected that such commingling of the prunes produced in those two countries will again occur as production

Testimony at the hearing makes reference to prunes produced in Idaho which production area is centered near Fruitland, Idaho. Included in this Idaho production area are some orchards located in Malheur County, Oregon. These orchards are located approximately 200 miles from Umatilla County, Oregon. The prunes from Malheur County are marketed later than those from Umatilla County. For these and other reasons, Malheur County, Oregon, should be excluded from the production area at the present time.

It is well established that there are areas throughout the production area. because of soil, water, or weather conditions, where prunes are not now or are not likely to be grown. However, it would not be practicable to exclude areas not producing prunes which are within or are adjacent to, the commercial prune To exclude any porproduction area. tion of the production area, as defined, where prunes are now being produced or which is potential production area would tend to defeat the purposes of the order, in that prunes from any such excluded portion which do not meet regulations applicable to regulated fruit could then be marketed free from regulations and thereby depress the prices of the regulated prunes grown in the remainder of such area. Hence, it is concluded that the production area, as hereinafter defined, is the smallest regional production area that is practicable, consistently with carrying out the declared policy of the act.

(4) The term "handler" should be defined in the order to identify the persons who are subject to regulation under the program. Since it is the handling of prunes that is regulated, the term "handler" should apply to all persons who place prunes in commerce by performing any of the activities within the scope of the term "handle," as hereinafter described. In other words, any person who is responsible for the sale, delivery, consignment, or transportation of prunes, or who in any other way places prunes in commerce, should be a handler under the order and be required to carry out such activities in accordance with the order provisions. However, the transportation by a common or contract carrier of prunes owned by another person should not be considered as making such carrier a "handler" as, in such instances, the carrier is performing services for hire and is not responsible for the quality or pack of the commodity. Of course, if the carrier is the owner of the prunes being transported, such carrier would be the handler the same as any other person who may primarily be engaged in another business-such as producer or retailer-but at times is also a handler of prunes.

The term "handle" should be defined to identify those activities that it is necessary to regulate in order to effectuate the declared policy of the act. Such activities include all phases of selling and transporting which place prunes in the channels of commerce within the production area or from the production area to any point outside thereof. The handling of prunes begins at the time the fruit is picked from the trees and includes each of the successive selling and transporting activities until the fruit reaches its final destination. The performance of any one or more of these activities, such as selling, consigning, delivering, or transporting by any person, either directly or through others, should constitute handling. In order to effectuate the declared policy of the act, each such person should be required, except as hereinafter indicated, to limit such handling of prunes to fruit which conforms to the applicable regulations under the order.

There are a few sales of prunes on-thetree. Also, after picking, it is usual for prunes to be sorted, graded, packed, or otherwise prepared for market at a packing facility in the production area. Such preparation for market may be performed at the orchard where the fruit is grown or the prunes may be transported to the packing facility prior to sorting, grading, and packing. The grower, in such instances, properly relies on the person preparing the prunes for market to see that the fruit which is thereafter shipped meets all applicable requirements for marketing. Moreover, such activities are, of necessity, preliminary to placing the prunes in marketing channels. It would not be practical and would

unnecessarily complicate the administration of the order to endeavor to require persons engaged in the preparation of prunes for market to meet the requirements of regulations under the program until after such preparation. Therefore, such activities should be excluded from the definition of "handle." Prunes may be sold, after packing, at the orchard where grown, at a roadside stand, or at a packinghouse to truckers and others who transport the prunes from such points to markets within and without the said States. The sale or delivery of prunes to such persons, and the subsequent movement to market, are handling transactions. Any person who engaged in any such transaction, whether grower, packinghouse operator, trucker, or others, would therefore be a handler under the order by virtue of such transaction. Each such person should have the responsibility of assuring himself that the prunes he handles meet all applicable regulations in effect at the time of handling. Compliance with the regulations which are authorized by the order can readily be determined by the person who is responsible for grading and otherwise preparing the prunes for market. The primary responsibility for determining whether a particular lot of prunes conforms to the applicable regulations should rest with the person who places such lot in the current of commerce. In most cases, such person will be the one who was responsible for grading and preparing the prunes for market. However, all subsequent handlers also should be responsible for seeing that any regulations applicable to the prunes are met at the time such persons handle the prunes. This can readily be ascertained by determining that the prunes have been inspected and certified as meeting such regulations or by having them inspected. As all handling of prunes is in interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce, it is concluded that, except as indicated herein and as specifically exempted by the act and order, all sales, consignment, delivery, or transportation of prunes within the production area or between the production area and any point outside thereof should be subject to the order and any regulations issued pursuant thereto.

(5) (a) Certain terms applying to specific individuals, agencies, legislation, concepts, or things are used throughout the order. These terms should be defined for the purpose of designating specifically their applicability and establishing appropriate limitations on their respective meanings wherever they are used.

The definition of "Secretary" should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all functions and duties imposed upon him by law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

The definition of "act" provides the correct legal citations for the statute pursuant to which the proposed regulatory program is to be operative and avoids the need for referring to these citations.

The definition of "person" follows the definition of that term as set forth in the act, and will insure that it will have the same meaning as it has in the act.

The term "fiscal period" should be defined to set forth the period with respect to which financial records of the Washington-Oregon Fresh Prune Marketing Committee-the agency which will administer the program locally-are to be maintained. At the present time, it is desirable to establish a 12-month period ending March 31 as a fiscal period. Such a period would fix the end of one fiscal period and the beginning of the next at a time of inactivity in the marketing of prunes. This would facilitate fixing the term of office of members and alternates to coincide with such period as it would allow sufficient time prior to the time shipments begin for the committee to organize and develop information necessary to its functioning during the ensuing year, and would still insure that a minimum of expense would be incurred during a fiscal period prior to the time assessment income is available to defray such expenses. However, it was testified that for reasons not now apparent it may be desirable at some future time to establish a fiscal period other than one ending March 31, and that authority should be included in the order to provide for such establishment subject to approval of the Secretary pursuant to recommendations of the committee. Therefore, it is concluded that such term should be defined as hereinafter set forth to provide this flexibility.

A definition of "committee" should be incorporated in the order to identify the administrative agency established under the provisions of the program. Such committee is authorized by the act, and the definition thereof, as hereinafter set forth, is merely to avoid the necessity of repeating its full name each time it is referred to.

Definitions of "grade" and "size" should be incorporated in the order to provide a basis for expressing grade and size limitations thereunder, and thus to enable persons affected thereby to ascertain the extent and application of grade and size limitations. "Grade" should be defined as any one or more of the established grades of plums or prunes as defined and set forth in (1) "United States Standards for Fresh Plums and Prunes" issued by the United States Department of Agriculture, effective May 22, 1958, which standards were published in the Federal Register (23 F.R. 3509), or (2) amendments to any grades set forth in such standards, or modifications thereof, or variations based thereon. Such definition would provide the flexibility necessary to cope with the possible variations in prunes due to detrimental effects of weather or other possible hazards affecting the crop. The United modifications Standards States  $\mathbf{or}$ thereof (the Washington State Department of Agriculture Standards for Italian Prunes are considered a modification of the aforementioned United States Standards) have been used by the Washington prune industry for a number of years, and the United States Standards have been used exclusively in Oregon. Such standards therefore provide appropriate bases for describing grade limitations.

Prunes are usually sized while being prepared for market. This is accomplished by placing a series of rollers in the packing line and so spacing them that prunes having a diameter measurement smaller than 11/8 inches are removed. It is the general practice to include in the same package the prunes which measure 11/8 inches in diameter or larger. Occasionally, however, prunes smaller than 11/8 inches in diameter have been marketed. Also, some handlers have, at times, packed to a larger minimum diameter than 11/8 inches. It was testified at the hearing that prunes are generally uniform in size and the range of diameter is generally between 11/8 inches and 1% inches. However, in the case of Wetherspoon, the diameter may reach 2 inches. Because of market preference and consumer demands, packs that contain a large percentage of prunes smaller than 11/8 inches in diameter generally may be sold only at discounts and such sales tend to lower the price that can be obtained for other prunes. Testimony also shows that when prunes have been packaged more uniformly sized, as, for example, a range from 1%6 inches to 1½ inches, such sales have commanded more money. Thus it may be desirable to regulate the size of prune shipments by fixing the minimum diameter, perhaps greater than 11/8 inches, below which prunes could not be handled or by specifying the range in diameter, which prunes would be required to meet when packed in a particular container. Therefore, it is concluded that the term "size" should be defined in terms of minimum diameter, or such other specifications as may be established by the committee with the approval of the Secretary.

The term "pack" is commonly used throughout the prune trade and refers to a combination of factors relating to the grade, size, quality, and quantity of prunes in a particular type and size of container. Under certain circumstances, it may be desirable to regulate shipments of prunes on the basis of particular grades or sizes, or both, that may be shipped in a specific container or containers. Hence, it is concluded that pack should be defined as hereinafter set forth.

The term "grower" should be synonymous with "producer" and should be defined to include any person who is engaged, within the production area, in the production of prunes for market and who has a proprietary interest therein. A definition of the term grower is necessary for such determinations as eligibility to vote for, and to serve as, a grower or alternate grower member on the Washington-Oregon Fresh Prune Marketing Committee and for other reasons. The term "grower" should, therefore, be defined as hereinafter set forth.

"District" should be defined as set forth in the order to provide a basis for the nomination and selection of com-mittee members. The districts (i.e., the geographical divisions of the production area as established and as set forth in the order) represent the best basis which could be devised at this time for providing a fair, adequate, and equitable representation on the committee. The provision for redistricting is desirable because it allows the committee and the Secretary to consider, from time to time, whether the basis for representation on the committee should be changed. Also, as hereinafter set forth, such districts would provide the basis for regulations designed to reflect the differences that may occur in the growing of prunes in the two districts.

"Export" should be defined in the order to mean to ship prunes to any destination which is not within the 48 contiguous States, or the District of Columbia, of the United States. Shipments of prunes to points outside of the continental United States may be of different grades, sizes, or qualities than those shipped to domestic markets. This results from different market demands as between domestic and other markets. Different or special regulations, or even no regulations, could, therefore, be made effective when warranted, with respect to such shipments out of the United States. It was testified in this connection that, because of the distances involved and characteristics of these markets, a similar situation exists with respect to Alaska and Hawaii and, for the purposes of the order, the term "export" should include shipments of prunes to Alaska and Hawaii.

The term "container" should be defined in the order to mean a box, bag, crate, lug, basket, carton, package, or any other type of receptacle used in the packaging, or handling of prunes. The definition of the term is needed to serve as a basis for differentiation among the various shipping receptacles, in which prunes are sold or move to market, for which different regulations could be applicable.

(b) It is necessary to establish an agency to administer the order locally under and pursuant to the act, as an aid to the Secretary in carrying out the declared policy of the act. The term "Washington-Oregon Fresh Prune Mar-The term keting Committee" is a proper identification of the agency and reflects the character thereof. It should be composed of 9 members, of whom 6 would represent producers and 3 should represent handlers. Alternate members should be provided to act in the place and stead of the members. Such a committee would be large enough to provide representation to all segments of the industry. At the same time, it is of such size that it can operate effectively and efficiently. The foregoing division of the members between producers and handlers would provide suitable producer representation and handler experience and information. A majority of the committee should consist of producers because the program is designed to benefit producers. The provision for handler

members tends to give balance to the committee by providing the handler experience and marketing information necessary to the development of economically sound regulation of prune shipments. Each handler member should be either a handler or an officer or an employee of a handler, as handlers often are corporations and would be precluded from having representation on the committee unless such persons were authorized to serve as members of the committee. There are also growers in the production area which are corporations and their officers and employees should be similarly eligible for membership on the committee. Two handler members and 4 grower members should represent District 1 and 1 handler member and 2 grower members should represent District 2. Although the volume of prunes produced in District 2 is very small, primarily due to the disastrous freeze in November 1955, replantings have been made, and the anticipated tonnage from these replantings, while several years away, justifies the allocation of \( \frac{1}{3} \) of the total membership of the committee to District 2. However, provision to reapportion membership on the committee among districts should be provided so that, if it becomes apparent that through shifts in production, reestablishment of districts, or other reasons such representation is inappropriate, the Secretary may, upon recommendation of the committee, make such reapportionment as he finds necessary.

Each producer or handler member of the committee, and his alternate, should be a producer or handler (or officer or employee of a corporate grower or an officer or employee of a handler), as the case may be, of prunes in the district for which selected. A person with such qualifications should be intimately acquainted with the problems of producing or marketing prunes grown in such district and may be expected to present accurately the problems incident to the production or handling of prunes grown in that district.

The term of office of committee members and alternates under the proposed program should be for two years beginning on the first day of April and continuing until March 31. This will establish an orderly procedure for changing the membership of the committee. The term of office should be for two years so that members and alternates will have adequate time to familiarize themselves with the operation of the program and thus be in a position to render the most effective service assisting the Secretary to carry out the declared policy of the act. The beginning of each term of office will occur during a period prior to the commencement of a marketing season and hence allow adequate time for the committee to organize and start operating.

Provision should be made in the order for staggered terms of office of committee members and alternates. Under this provision approximately one-half of the committee in office on March 31 of each year would continue in office until the next year. The establishment of such staggered terms will tend to provide for

more efficient administration of the program, in that members and alternates constituting the new portion of the committee membership will benefit from the guidance of experienced members who carry over. The experienced members will help insure continuity of the policies and procedures relating to the administration of the proposed order which should contribute materially to the successful administration of the marketing program. Hence, the terms of office of approximately one-half of the initial committee members and alternates should be from the time of appointment until the following March 31 and of the other portion from the time of appointment until the second following March 31. Committee members and alternates should serve during the term of office for which selected, and until their successors are selected and have qualified to insure continuity of committee operations.

A procedure for the election by growers and handlers of nominees for membership on the committee should be prescribed in the order to assist the Secretary in his selection of members and alternate members of the committee. It is recognized that the Secretary is vested with authority under the act to select the committee members; and the nomination of prospective members and alternate members at meetings of growers and handlers in the respective districts is a practical method of providing the Secretary with the names of the persons which the industry desires to serve on the committee.

Nomination meetings for the purpose of electing nominees for members of the committee and their alternates should be held or caused to be held by the committee on or before March 1 of each year. Such date is approximately 4 weeks prior to the end of the fiscal period. By having such nomination meetings not later than March 1 each year, the committee will be in a position to prepare and submit nomination lists to the Secretary in time for the Secretary to select the members and alternate members of the new committee prior to the expiration of the terms of office of the existing committee members.

As the administrative committee will not be in a position to act until after the selection by the Secretary of its initial members, the order should provide a procedure for the selection of the initial members. The Secretary may appropriately select the initial grower and handler committee members and alternates from nominations which may be made by growers and handlers, respectively, or appropriate groups thereof, or from other eligible persons; and the order should so provide. In order that the initial membership of the committee may be selected as soon as possible after the approval of the program, it should be required that such nominations be submitted not later than the effective date thereof.

The order should provide that only growers who are present at the nomination meetings, or corporate growers who are represented at such meetings by duly authorized agents, may participate in designating nominees for grower mem-

bers and alternates, and, except as hereinafter set forth, only handlers present at nomination meetings or handlers represented at such meetings by duly authorized agents may participate in the nomination of handler members and alternates.

It was testified, without opposition, at the hearing that section 22(b) (3) of the proposed order should be modified to authorize the committee, if it deems such desirable, to conduct handler nominations and elections by mail. It was asserted that handler participation in the selection of handler representation on similar committees, i.e., the apricot and cherry committees, had not been as large as desirable, considering the number of eligible handlers. Most of the nomination meetings upon which the extent of handler participation for this program was projected have been held in connection with other industry meetings, such as the Wenatchee traffic association or the Yakima traffic association. Whether meetings, under the auspices of the committee, called for the specific purpose of selecting handler nominees for committee representatives would enjoy greater participation is a matter to be determined. It was testified that the mail ballot method should be used only when it was determined by the committee that handler attendance at nomination meetings is not representative of handlers generally. Holding of meetings to select nominees for both grower and handler representatives on the committee, according to the record, is the preferred method of securing the names of nominees. Growers and handlers should be urged to attend their respective meetings because such meetings afford an opportunity for a full and complete discussion relative to such matters. Nevertheless. it is desirable that nominations for membership on the committee. be as representative of the wishes of the entire industry as it is possible to provide. Hence, the order should authorize selection of nominees for handler members and their alternates by mail ballot if it is determined that attendance at the handler nomination meetings is not representative of handlers generally.

The order should provide that handler votes for members and alternate members of the committee should be weighted by the volume of prunes handled by such handler during the then current fiscal year. This provision is desirable to secure the handler representation on the committee which will be in the best interest of the industry. The evidence of record shows that there are a number of itinerant truckers who are handlers of prunes. Many of such handlers have no established place of business and little, if any, interest in the welfare of the prune industry. Such handlers often would not make desirable committee members or alternate members because they would not be in a position to provide the broad handler experience and factual market information upon which the committee could formulate economically sound regulations. If handler votes were on the basis of each handler having only one vote, without reference to the volume of prunes handled, the aforementioned

handlers could, if they chose to do so, dominate every election because of their superiority in numbers. There are also handlers of prunes who have made considerable investments of time and money and have more permanent connections with and responsibilities to the prune industry. Such handlers are more likely to possess market information and provide handler experience upon which the committee can rely. The testimony shows that this provision is supported in order that the handlers who handle the larger volume may have the greater voice in selection of committee members. It is not the intent of this provision to preclude the right of truckers who are handlers of prunes from being elected to serve as member or alternate member on the committee. It is recognized that a trucker may be extremely interested in the welfare of the prune industry. He may have wide and divergent market experience which would be valuable to the committee. Under this provision, he would be eligible to vote for and serve as handler member or alternate handler member of the committee.

It was testified that each grower and handler should have a similar and equitable voice, except as hereinbefore provided, in the election of nominees. Hence, if a person is qualified to vote both as a grower and a handler, he should select the group with which he wishes to participate. Such persons should not be authorized to vote both as a grower and as a handler because this would enable him to participate in nominations to a greater degree than persons who are growers only or handlers only. Also, each grower and handler should be limited to one vote on behalf of himself, his partners, agents, subsidiaries, affiliates, and representa-tives, in designating nominees for committee members and alternates regardless of the number of districts in which he produces or handles prunes. If a grower or handler could cast more than one vote by reason of operating in more than one district, such grower or handler would have an advantage in selecting nominees over growers or handlers operating in only one district. Also, if more than one vote was permitted, there is a possibility that large growers or handlers could dominate the elections by means of their partners, agents, subsidiaries, affiliates, and representatives, and nominate growers and handlers not favored by a majority of growers or of handlers. An eligible grower's or handler's privilege of casting only one vote should be construed to mean that one vote may be cast for each applicable position to be filled.

A grower who produces prunes in both districts should be permitted to select the district in which he will vote. He will thus be able to vote for nominees where he believes his best interest lies. Similarly, a handler, who handles prunes both in District 1 and District 2 of the production area, should be permitted to select either one of such districts in which to vote for nominees.

In order that there will be an administrative agency in existence at all times to administer the order, the Secretary should be authorized to select committee members and alternates without regard to nomination if, for any reason, nominations are not submitted to him in conformance with the procedure prescribed herein. Such selection should, of course, be on the basis of the representation provided in the order so that the composition of the committee will at all times continue as prescribed in the order.

Each person selected by the Secretary as a committee member or alternate should qualify by filing with the Secretary a written acceptance of his willingness and intention to serve in such capacity. This requirement is necessary so that the Secretary will know whether or not the position has been filled. Such acceptance should be filed promptly after the notification of appointment so that the composition of the committee will will not be delayed unduly.

Provision should be made as set forth in the order for the filling of any vacancies on the committee, including selection by the Secretary without regard to nominations where such nominations are not made as prescribed, in order to provide for maintaining a full membership on the committee.

The committee should be given those specific powers which are set forth in section 8c(7)(C) of the act. Such powers are necessary to enable an administrative agency of this character to function.

The committee's duties, as set forth in the order, are necessary for the discharge of its responsibilities. These duties are generally similar to those specified for administrative agencies under other programs of this character. It is intended that any activities undertaken by the members of the committee will be confined to those which reasonably are necessary for the committee to carry out its responsibilities as prescribed in the program. It should be recognized that these specified duties are not necessarily all inclusive, in that it may develop that there are other duties which the committee may need to perform.

With respect to the provision set forth in § 1029.31(m) providing for redistricting and reapportionment of membership on the committee, such provision is necessary to enable the committee and the Secretary to consider from time to time whether the basis for representation has changed or could be improved and how such improvement should be made. The division of the production area into the two districts set forth in the order is a logical one at the present time from the standpoint of potential production, weather conditions, and geographic location. However, shifts or other changes which may take place in the future due to increased or decreased production cannot be foreseen. Additional land suitable for prune production is being made available within the production area through irrigation. Decreased acreage may result from damage caused by weather hazards. Therefore it is desirable to provide flexibility of operation so that if it should be in the best interests of the administration of the order to change the boundaries of

districts, change the number of districts, or reapportion the representation on the committee among districts, the committee may so recommend, and the Secretary may take such action.

At least 6 members of the committee, or alternates acting for members, should be present at any meeting in order for the committee to make any decisions; and all decisions of the committee should require a minimum of 6 concurring votes.

In addition, any action relating to regulations authorized by §§ 1029.52 and 1029.53 which would be effective in District 2 should require the concurring vote of at least 2 members from District 2. This provision is necessary and desirable in that it will assure that all actions by the committee will be considered and approved by at least twothirds of its membership, Also, no action could be taken in regards to recommendations for regulations to be effective in either district unless at least one-half of the membership from the district concerned concurred in such regulation. It is not necessary nor desirable to require the concurring vote of a specific number of members from a particular district with respect to regulations other than those that are authorized in §§ 1029.52 and 1029.53. The committee is authorized to request from handlers such reports as may be necessary for the committee to perform its functions and duties. Also, funds to cover the expense of local administration of the order is obtained by levying assessments on handlers. Requirements that handlers file reports and pay assessments may be considered as regulations. Such requirements, however, are applicable to all handlers in all districts in contrast to the regulations authorized in §§ 1029.52 and 1029.53 which could, under varying weather or other conditions, apply with differing effect to the crops of the two districts. The order should provide that in the event neither member nor his alternate is able to attend a meeting, such member or the committee may designate any other alternate member from the same district and group who is not acting as a member to serve in such member's place and stead.

In addition to meetings held where the committee is assembled together in one place, the committee should be authorized to hold simultaneous meetings of its members assembled at two or more designated places wherein provision has been made for communication between all such groups and loud speaker receivers made available so that each member may participate in the discussion and other actions the same as if the committee were assembled in one place. This should encourage attendance at meetings and may possibly facilitate some savings in expense through reduced travel time and distance. Such meeting should be considered as an assembled meeting. The committee should be authorized to vote by telephone, telegraph, or other means of communication when a matter to be considered is so routine that it would be unreasonable to call an assembled meeting or when rapid action is necessary because of an emergency. Any

votes cast in this fashion should be confirmed promptly in writing to provide a written record of the votes so cast. In case of an assembled meeting, however, all votes should be cast in person.

It is appropriate that the members and alternates of the committee may receive compensation for the time spent in attending committee meetings. order authorizes a maximum of \$10.00 per day for this purpose, since the time so spent is usually at financial sacrifice to their personal businesses. While the payment of an amount not to exceed \$10.00 per day will not, in most cases, fully compensate for the time such members and alternates spend away from their personal businesses, there are producers and handlers in the production area who are willing to represent the industry by serving on the committee regardless of the personal sacrifice involved. The order should also provide for reimbursement of actual out-ofpocket reasonable expenses incurred on committee business since it would be unfair to request the members and alternates to pay for such expenses incurred in the interest of all prune growers and handlers in the production area.

In order for an alternate adequately to represent his district at any committee meeting in place of an absent member, it may be desirable that he should have attended previous meetings along with the member, so as to have a full understanding of all background discussions leading up to action that may be taken at the meeting. Also, an alternate may, in future years, be selected as a member on the committee; and to this extent, attendance at meetings by alternate members could be helpful. Although only committee members, and alternates acting as members, have authority to vote on actions taken by the committee, it is often important for the committee to obtain as wide a representation as practical of producer and handler attitudes toward a proposed regulation or other matter. Therefore, the order should provide that the committee, at its discretion, may request the attendance of alternate members at any or all meetings, notwithstanding the expected or actual presence of the respective members, when a situation so warrants. The same compensation and reimbursement that are available to members should also be made available to alternate members when they are so requested and attend such meetings as alternates.

Provision should be made in the order whereby each committee will prepare an annual report prior to the end of each fiscal period. Such reports would provide committee members, the industry, and the Secretary with a record of the annual operations of the program and would provide a means for evaluation of the program and the need for any changes therein.

(c) The committee should be authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by it during each fiscal period for its maintenance and functioning and for such other purposes as the Secretary may, pursuant to the pro-

visions of the order, determine to be appropriate. The funds to cover the expenses of the committee should be obtained through the levying of assessments on handlers. The act specifically authorizes the Secretary to approve the incurring of such expenses by an administrative agency, such as the Washington-Oregon Fresh Prune Marketing Committee, and requires that each marketing program of this nature contain provisions requiring handlers to pay pro rata the necessary expenses. Moreover. in order to assure the continuance of the committee, the payment of assessments should be required even if particular provisions of the order are suspended or become inoperative.

Each handler should pay to the committee upon demand with respect to all prunes handled by him as the first handler thereof his pro rata share of such expenses which the Secretary finds are reasonable and likely to be incurred by the committee during each fiscal period. Each handler's share of such expenses should be equal to the ratio between the total quantity of prunes handled by him as the first handler thereof during the applicable fiscal period and the total quantity of prunes so handled by all handlers during the same fiscal period. In this way, payments by handlers of assessments would be proportionate to the respective quantities of prunes handled by each handler and assessments would be levied on the same prunes only once.

In order to provide funds for the administration of this program prior to the time assessment income becomes available during the fiscal period, the committee should be authorized to accept advance payments of assessments from handlers and also, when such action is deemed to be desirable, to borrow money for such purpose. The provision for the acceptance by the administrative agency of advance assessment payments is included in other marketing agreements and orders, and has been found to be a satisfactory and desirable method of providing funds to cover costs of operation prior to the time when assessment collections are being made in an appreciable amount. There was no objection offered at the hearing to indicate that any person was opposed to the proposal for the committee to borrow a limited sum of money each fiscal period. During years of normal growing conditions, revenue available to the committee from assessments would provide the means for the repayment of any such loan. In addition, as hereinafter set forth, provision should be made for increasing the rate of assessment in the event it should develop that due to some unforeseen circumstances the assessment income under the then prevailing rate is not sufficient to cover the expenses incurred.

The committee should be required to prepare a budget at the beginning of each fiscal period, and as often as may be necessary thereafter, showing estimates of income and expenditures necessary for the administration of the proposed order for such period. Each such budget should be presented to the Sec-

retary with an analysis of its components and explanation thereof in the form of a report on such budget. It is desirable that the committee should recommend a rate of assessment to the Secretary which should be designed to bring in during each fiscal period sufficient income to cover authorized expenses incurred by the committee including the accumulation and maintenance of an operating reserve.

The rate of assessment should be established by the Secretary on the basis of the committee's recommendation, or other available information, so as to assure the imposition of such assessments as are consistent with the act. Such rate should be fixed on a fair and equitable unit basis, such as a container, ton, or other quantity measurement.

The Secretary should have the authority, at any time during a fiscal period, or thereafter, to increase the rate of assessment when necessary to obtain sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee applicable to such period. Since the act requires that administrative expenses shall be paid by all handlers pro rata, it is necessary that any increased rate apply retroactively against all prunes handled during the particular fiscal period.

Except as necessary to establish and maintain an operating reserve as set forth in the order, handlers should be entitled to a proportionate refund of any excess assessments which remain at the end of a fiscal period. Such refund should be credited to each such handler against the operations of the following fiscal period so as to provide the committee with operating funds prior to the start of the ensuing shipping season: but. if a handler should demand payment of any such credit, the proportionate refund should be paid to him. However, good business practice requires that any such refund may be applied by the committee first to any outstanding obligations due the committee.

In most years shipment of prunes begins about the second week of August and is usually completed by the middle of October. The fiscal period starts on April 1, and, therefore, the committee must operate during April, May, June, and July with no current assessment The period immediately prior income. to the shipping season will be the period of greatest activity as the committee will be surveying the crop and marketing situation, developing a marketing policy, and holding meetings to develop recommendations for regulations. This means that in all probability at least one-half the committee's expenses will ordinarily be incurred before any current fiscal period income is collected.

An operating reserve is an important instrument for the continued effective operation of the order over a period of years. The production area is susceptible to hail storms just prior to and during the harvesting period, and to frost damage at the time of bloom and fruit set. Severe freezes during the winter often damage trees and reduce the crop in succeeding years. The assessment rates under the program are set at the

beginning of the season for a crop of an estimated volume of shipments. Should crop failure or partial crop failure reduce the crop so that assessment income falls below expenses, it would be necessary for handlers in light of the reduced crop to cover the deficit. When the handlers have already made returns to growers, it would be very difficult for them to obtain from such growers the additional funds required to meet the increase in assessment that would be necessary. It would also constitute an extra burden on the industry to increase the assessment rate after disasters such as these have occurred.

Because of the hazards incident to the production of prunes, and the difficulties thus expected to be encountered in financing operations of the program during some years, it would be desirable to rely on an operating reserve for use during any such year. Evidence presented at the hearing was to the effect that nearly all of the production of prunes is marketed year after year by the same handlers and that it would be equitable to all handlers, and far less burdensome to them, to contribute to the establishment of such an operating reserve during years of normal production rather than to be required to pay a high rate of assessment occasioned by a deficit during a year when the crop is materially reduced. The proposed reserve fund should be built up gradually over a period of years to the desirable amount. Discretion should be used so as not to impose excessively high assessments or delay the attainment of the full amount in the reserve too long. since a material reduction in the crop could occur at any time. It was indicated that it would be appropriate, and in keeping with the desires of the industry, to include in the annual budget a specific amount for the reserve fund as well as to use any other excess assessment funds available at the end of a fiscal period for this purpose. In order that such reserve funds not be accumulated beyond a reasonable amount, it was proposed that a limit of approximately one fiscal period's expenses be provided. It was shown that such an amount should be sufficient to cover any foreseeable need since some income from assessment may be expected during any year. After the reserve has been built up to that amount, excess assessment income should thereafter be returned to the handlers entitled to refunds in accordance with the provisions of the order. However, in keeping with the need for the reserve fund, whenever any portion of it is used, the full amount withdrawn should be returned to the reserve as soon as assessment income is available for this purpose.

The reserve fund should be used, with the approval of the Secretary, to cover costs of liquidation of the program in the event the order is terminated, as well as to cover necessary operational costs, such as for salaries and other necessary expenses, during any period when the order, or any of its provisions, should be suspended. It is possible, of course, that the program may be terminated at the end of a fiscal period, or during a

year when the production of prunes is relatively light. In such circumstances, it would be burdensome to handlers to require payment of an assessment to cover the liquidation costs. All handlers receive benefits from the program's operations; and, even if a handler ceases handling prunes before the full time of its operation has expired, it would be appropriate and equitable for such handler to share in the expense of liquida-Should the order provisions be suspended, it is likely such suspension would occur during a period when prune production has been seriously curtailed. It would seem reasonable and proper, therefore, to use the reserve funds to defray any expense of liquidation or any necessary cost of operation during a period of suspension. It is anticipated, of course, that the committee will endeavor to minimize costs in this regard as far as reasonably practicable consistent with the efficient performance of its responsibilities.

Upon termination of the order, any funds in the reserve which are not used to defray the necessary expenses of liquidation should, to the extent practicable, be returned to the handlers from whom such funds were collected. It is apparent, from the evidence of record, that it may not be possible to make an exact distribution of any such funds. Should the order be terminated after many years of operation, and there have been several withdrawals and redeposits in the reserve, the precise equities of handlers may be difficult to ascertain and any requirement that there be a precise accounting of the remaining funds could involve such costs as to nearly equal the monies to be distributed. Therefore, it would be desirable and necessary to permit the unexpended reserve funds to be disposed of in any manner that the Secretary may determine to be appropriate in such circumstances. In view of the foregoing, it is, therefore, concluded that authority should be provided, as hereinafter set forth, to permit the establishment and use of a reserve fund.

Funds received by the committee pursuant to the levying of assessments should be used solely for the purposes of the order. The committee should be required, as a matter of good business practice, to maintain books and records clearly reflecting the true, up-to-date operation of its affairs so that its administration could be subject to inspection at any time by the Secretary. The committee should provide the Secretary with periodic reports at appropriate times, such as at the end of each marketing season or at such other times as may be necessary, to enable him to maintain appropriate supervision and control over the committee's activities and operations. Each member and each alternate, as well as employees, agents, or other persons working for or on behalf of the committee, should be required to account for all receipts and disbursements, funds, property, and records for which they are responsible, should the Secretary at any time ask for such an accounting. Also, whenever any person ceases to be a member or alternate member of the committee, he should similarly be required to account for all funds, property, and other committee assets for which he is responsible and to deliver such funds property, and other assets to such successor as the Secretary may designate. Such person should also be required to execute assignments and such other instruments which may be appropriate to vest in the successor the right to all such funds and property and all claims vested in such person. This is a matter of good business practice.

(d) The order should provide, as hereinafter set forth, authority for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of prunes.

Through the medium of research investigation, the committee should be able to assemble and evaluate data on growing, harvesting, shipping, marketing, and other factors with respect to prunes which would be of value in determining what regulations should be established, in accordance with the act and the order. for the benefit of the prune industry in the production area. As the committee becomes more aware of the value and need for marketing research and development, other projects will undoubtedly be initiated, the need for which may not have been foreseen during the course of the hearing.

The committee should be empowered to engage in such projects (except advertising and sales and trade promotion projects which are not permitted by the act), to spend assessment funds for them, and to consult and cooperate with appropriate agencies with regard to their establishment. The committee may be limited by the lack of facilities and trained technicians in carrying out any such projects; and it should be authorized to enter into contracts for their development with qualified agencies such as State universities, and public and private agencies. Prior to engaging in any such activities, the committee should, of course, submit to the Secretary for his approval the plans for each project. Such plans should be set forth in detail. including the cost and the objectives to be accomplished, so as to insure, among other things, that the projects are within the purview of the act. The cost of any such project should be included in the budget for approval, and such cost should be defrayed by the use of assessment funds as authorized by the act.

(e) The declared policy of the act is to establish and maintain such orderly marketing conditions for prunes, among other commodities, as will tend to establish parity prices therefor, and to establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements as will be in the public interest. The regulation of prune shipments by maturity, grade, size, or quality, or any combination thereof, as authorized in the order, provides a means of carrying out such policy.

In order to facilitate the operation of the program, the committee should each year, and prior to recommending regulation of prune shipments, prepare and adopt a marketing policy for the ensuing

marketing season. A report on such policy should be submitted to the Secretary and made available to growers and handlers of prunes. The policy so established would serve to inform the Secretary and persons in the industry, in advance of the marketing of the crop, of the committee's plans for regulation and the basis therefor. Handlers and growers could then plan their operations in accordance therewith. The policy also would be useful to the committee and the Secretary when specific regulatory actions are being considered, since it would provide basic information necessary to the evaluation of such regulation.

In preparing its marketing policy, the committee should give consideration to the supply and demand factors, hereinafter set forth in the order, affecting marketing conditions for prunes since consideration of such factors is essential to the development of an economically sound and practical marketing policy.

The committee should be permitted to revise its marketing policy so as to give appropriate recognition to the latest known conditions when changes in such conditions since the beginning of the season are sufficiently marked to warrant modification of such policy. Such action is necessary if the marketing policy is to appropriately reflect the probable regulatory proposals of the committee and be of maximum benefit to all persons concerned. A report of each revised marketing policy should be submitted to the Secretary and made available to growers and handlers, together with the data considered by the committee in making the revision.

The committee should, as the local administrative agency under the order, be authorized to recommend such maturity. grade, size, and quality regulations, as well as any other regulations and amendments thereto authorized by the order, as will tend to effectuate the declared policy of the act. It is the key to successful operation of the order that the committee should have such responsibility. The Secretary should look to the committee, as the agency reflecting the thinking of the industry, for its views and recommendations for promoting more orderly marketing conditions and increased growers' returns for The committee should, thereprunes. fore, have authority to recommend such regulations as are authorized by the order whenever such regulations will, in the judgment of the committee tend to promote more orderly marketing conditions and effectuate the declared policy of the act.

When conditions change so that the then current regulations do not appear to the committee to be carrying out the declared policy of the act, the committee should have the authority to recommend such amendments, modification, suspension, or termination of the existing regulations, as the situation warrants.

The order should authorize the Secretary, on the basis of committee recommendations or other available information, to issue various grade, size, quality, and other appropriate regulations which tend to improve growers' returns and to establish more orderly marketing

conditions for prunes. The Secretary should not be precluded from using such information as he may have, and which may or may not be available to the committee for consideration, in issuing such regulations, or amendments or modifications thereof, as may be necessary to effectuate the declared policy of the act. Also, when he determines that any regulation does not tend to effectuate such policy he should have authority to suspend or terminate the regulation, in accordance with the requirements of the act.

The maturity, grade, size, and quality of prunes which are shipped at any particular time have a direct effect on returns to growers. The poorer grades, and less desirable sizes, of prunes marketed return lower prices than do better grades and sizes. A restriction, under the order, of the shipment of prunes of low grade should result in higher returns for the better grades marketed by eliminating the price depressing effect of poor quality prunes.

Evidence presented at the hearing shows that handlers often have shipped in fresh fruit channels prunes of poor grade and quality and of undesirable size. Such prunes may be sold only at discounts, and the returns from such sales often do not cover the cash costs of harvesting and marketing. In addition, such sales have tended to depress the prices for the entire crop, for the particular year, below the level which otherwise would have existed if only prunes of suitable maturity, grade, size, and quality, considering the supply and demand conditions for such fruit, had been available in the markets.

The demand for particular grades, sizes, and qualities of prunes varies depending upon the volume of supplies available, the grade, size, and quality composition of such supplies, the availability of competing commodities, and other factors such as the trend and level of consumer income. The supply conditions for prunes are subject to substantial changes during a particular season as the result of weather conditions affecting the volume and quality of the crop.

The grade, size, and quality composition of the prune crop, and the volume of the available supply for the season as a whole and for any particular period during the season, are important factors which must be considered in establishing regulations. There is generally a sufficient volume of prunes harvested in the production area so that the shipment of only the better grades, sizes, and qualities of prunes to fresh market could fill market demands. Proper maturity is an important factor determining consumer acceptance. Prices for prunes in the production area generally start each season at a high level. This is usually followed by a rapid decline. It was testifled that haste to take advantage of high prices early in the season had frequently caused the shipment of immature, excessively small, and poor quality prunes which had resulted in dissatisfaction of consumers; and that such consumer dissatisfaction has been reflected in reduced demand and lowered returns to growers.

Therefore, the order should provide for the establishment by the Secretary of regulations by maturity, grade, size, quality, or combinations thereof, based upon limitations recommended by the committee or other available information; and such regulations should cover such period or periods as it is determined is warranted by the anticipated supply and demand conditions. In making its recommendations for such regulations. the committee should consider the heretofore enumerated supply and demand factors. The committee, because of the knowledge and experience of its members, should be well qualified to evaluate such factors and to develop economically sound and practical recommendations for regulations and to advise the Secretary with respect to the supply and demand conditions under which the prune crop will be marketed.

Several different varities of prunes are grown in the production area. Principal varieties are Early Italian, Richards, Milton, Demaris, Stanley, Wetherspoon, and Late Italian. Each variety of prunes has certain characteristics which serve to distinguish it from other varieties.

If it is found that application of the same regulation to several similar varieties would not result in equities for some such varieties, this practice should be followed. It is contemplated that the same terms of regulation may be made applicable to such varieties as Early Italian, Richards, and Milton, as such varieties apparently have very similar characteristics. However, some varieties are known to have such dissimilar characteristics as to make it impractical to cover all varieties with an identical regulation.

For example, the Stanley variety, while grown only to a limited extent at the present time in the production area, is grown extensively in adjacent areas and is recommended by Extension Service personnel. It possesses a shape distinctly different from any other variety of prunes. The Brooks variety has a color which is distinctive and quite different from the color of other varieties of prunes. This variety generally does not attain as intense purple color as is characteristic of other varieties of prunes. The Wetherspoon variety generally attains a larger size than other varieties of prunes. Authority for establishment of different regulations by variety will permit recognition of these factors. Therefore, because of the differences which exist in varieties, and the fact that application of identical regulations to all varieties may be unnecessarily restrictive for some varieties, it is concluded that the order should provide authority for issuance of different regulations for different varieties. Recognition of different varieties of prunes is common throughout the production area. Inspection representatives testifying at the hearing said they did not anticipate any difficulty in identification or inspection if different limitations are established for different varieties having distinguishable characteristics.

Prunes produced in each of the two districts into which the production area is divided are generally prepared for

market in the district where produced. Weather conditions vary between the two areas, and detrimental weather may adversely affect the prune crop in one district while the crop in the other district may not be so affected. Because of these circumstances, and in order to provide equity among growers and handlers, authority should be provided in the order to permit establishment of different regulation including grade in different districts of the production area. However, during any period or periods when specific maturity regulations are in effect, they should be uniform in both districts. Throughout the hearing, many of the witnesses testified to the importance of handling only mature prunes. They also stressed the detrimental effects of shipping immature fruit. It was testified that in addition to failing to return a profit to the grower, such shipments depress the whole market structure by failing to provide consumer satisfaction. Hence, after shipments of immature prunes or prunes of minimum maturity have been made in some volume, there often follows a period when very few prunes are sold. This results in a "glut" of available prunes in the markets which further depresses prices. It was further testified that prunes are either mature or immature. An immature prune will mature provided it is left on the tree awhile longer. During this period, it will also increase in size. Large size prunes are preferred to smaller size prunes in most markets. Testimony shows that it is possible to determine the stage of maturity at which prunes should be picked. Spot picking could be used to maintain more uniform maturity and lessen the volume of culls due to immature fruit. Research is being undertaken to provide better, easier, or more uniform methods of determining maturity of prunes. Because of the importance placed on maturity by the industry, and to insure that prunes of a different maturity could not be shipped from the two districts to the detriment of the entire industry within the production area, it was testified without opposition that when specific maturity regulations are in effect they should be uniform in all districts. One of the requirements of each of the grades specified in the U.S. Standards for fresh plums and prunes is that the prunes be mature. Mature is defined to mean that the fruit has reached the stage of maturity which will insure a proper completion of the ripening process. Such definition provides the minimum stage of maturity necessary to insure the fruit will go through the marketing channels in a satisfactory manner. It was testified at the hearing that a higher and more desirable stage of maturity could be attained by leaving the fruit on the tree for an additional period of time. Such testimony states that the committee could specify any higher degree or more advanced stage of maturity by listing in some detail the characteristics of a more mature prune. The inside flesh of a prune generally turns amber in color as the prune matures. The minimum maturity requirement for example, is interpreted to mean the flesh of the prune, in a cross section shows a

at the hearing shows that it may be desirable to establish maturity specifications requiring that a specific portion of the inside flesh of the prunes shall show ambering. Testimony also refers to some recent experimental work in which the refractometer was used to determine the stage of maturity of prunes produced in District 1. Results of these tests even though they cover a limited number of samples, and extend over only one season, indicate it may be practical to establish specific maturity requirements in terms of the soluble solids content of the fruit which would assure shipment of prunes of a more desirable maturity than the minimum maturity provided in the grade standards.

It is not expected that the committee will ever recommend the shipment of prunes which fail to meet the minimum maturity requirements set forth in the U.S. Standards. However, in addition to establishing a minimum grade, which would also include a minimum maturity requirement, the committee may want to recommend establishment of regulations providing for shipment of only those prunes which have reached a more advanced stage of maturity. It is this type of special maturity regulations which should be required, under the order provision, to be uniform throughout all districts of the production area.

It is important that the order provide authority for the committee to recommend and the Secretary to fix the size, weight, capacity, dimensions, marking, or pack of the containers which may be used in the packaging or handling of prunes.

The principal containers used in the shipment of prunes are the 30-pound half-bushel basket, which is most generally used; the 12-pound lug; the 14pound lug; and the 15-pound lug. The 15-pound lug is generally used for export shipments to Canada. The basic inside dimensions of the three lugs are 15 x  $10\frac{1}{2}$  x 4 inches. The difference in net weight per lug is adjusted by the addition of a cleat the thickness of which is in proportion to the net weight desired, or by the fullness of the pack. For sales in the immediate area the Western lug, of varying dimensions and capacities but generally holding approximately 30-pounds of prunes, is sometimes used. Shipments have also been made in consumer size bags and in cardboard cartons of approximately 30-pound net weight capacity. The multiplicity of such lug containers, and the fact that in many instances they vary so slightly from each other in size and capacity that customers do not realize that the apparent price advantage for seemingly identical containers merely reflects the smaller quantity of fruit, causes considerable confusion in the buying and selling of prunes and results in disorderly marketing conditions. Standardization of containers to those most suitable for the packing and handling of prunes and prescribing the use of containers of sizes and capacities which can readily be distinguished from each other would tend to establish more orderly market-

start of ambering. Testimony presented ing conditions and increase growers' at the hearing shows that it may be de-returns.

Certain detrimental marking practices with respect to containers and the pack of containers have been followed by handlers of prunes in the production area. As a general practice, handlers usually stamp or label each package to show the brand, if any, name and address of handler, variety, grade, and net weight. The record shows that there are handlers who do not place any markings on some packages. Such packages resembles the packages which are stamped or labeled in many respects. However, usually such packages contained a lower net weight, an inferior grade or a variety which does not enjoy consumer acceptance. record states that inspection of all shipments is essential to determine whether the terms and provisions of the order are being met. Likewise, the record shows that the aforesaid markings on the containers are essential in determining compliance with the provisions of the order. Also, some handlers have marked containers of prunes to indicate that such prunes were of a variety having greater trade acceptance than that actually packed in such containers. The lack of a requirement that net weight be accurately shown has led to the use of packs of similar size and shape but actually containing less prunes. This practice adversely affects the price the producer receives for his prunes. Such practices destroy trade confidence, reduces demand, and contributes to disorderly marketing. Hence, it is concluded that the order should provide authority for the committee to recommend and the Secretary to fix the markings to be affixed to the containers.

The exercise of the authority to regulate containers, however, should not be used to close the door on experimenting with new containers or to prevent the commercial use of any new or superior containers which may be developed.

The order also should contain authority to regulate the packs of containers. including the authority to restrict the particular grades and sizes of prunes that may be packed in different containers. This would assist the prune industry in the production area in its merchandising efforts to provide the most acceptable packs to enhance trade reputation. At present, the principal packs used for prunes in the production area are the 30-pound half-bushel basket, either ring-faced or loose, the 12pound lug, shake-face, the 14-pound lug, loose, the 15-pound lug, loose for export to Canada, the 30-pound Western lug, loose, usually unlidded, and 1- and 2pound plastic pags. Good commercial practice require a tight pack which prevents shifting of the fruit in the container, as such shifting bruises or otherwise damages the fruit. In order to meet the requirements of "Standard Pack," the prunes in the top layer of any package shall be reasonably representative in quality and size of those in the remainder of the package. It was testified at the hearing that prunes which are of uniform and larger size generally are preferred in most markets. Therefore, the authority for pack regulation would enable the committee to prescribe requirements as to uniformity of size apart from grade standards, so as to insure trade confidence with respect to uniformity of size.

Currently, research is being conducted in the development of better types of containers and packs for fruits. Considerable attention has been given to consumer packs. It is contemplated that such packs will be developed and used for prunes. It is essential that authority be included in the order for prescribing pack limitations designed to protect the reputation of packs which are found to be superior, including those for which a demand has been built through research and development. If it is found that the demand for prunes is enhanced in certain containers when a particular manner of arrangement, grade, or size is used, it may be desirable to prescribe the grade, sizes, and method of arrangement which may be used in specified packages. Therefore, it is concluded that the order should contain authorization to so prescribe.

Many foreign countries have restrictions with respect to importation of fruits. For example, Canada, a principal export market for Washington-Oregon prunes, has container and quality requirements for fruit commodities imported into that country. Such requirements are subject to change. Moreover, certain areas of Canada have demanded a smaller sized prune than that normally desired by our domestic market. Consumers in other export markets may prefer prunes of sizes, grades, or qualities which differ from those desired by consumers in the United States. Hence, the order should include authority to limit the shipments of prunes to export markets to grades, sizes, packs, containers, or combinations thereof, which are different from those permitted to be shipped to the domestic market. Because of the distance and the special market conditions which are similar to export, shipments to the States of Alaska and Hawaii, insofar as this order is concerned, should be considered as exports.

It is not in the public interest to cease regulation when the season average price of prunes exceeds parity. The committee should be authorized to recommend. and the Secretary to establish, such minimum standards of quality and maturity, in terms of grades or sizes, or both, and such grading and inspection requirements, during any and all periods when the season average price for prunes may be above parity, as will effectuate such orderly marketing of prunes as will be in the public interest. Some prunes do not give consumer satisfaction regardless of the price level. Immature prunes. deteriorated prunes, and prunes of very small sizes are examples of the type of fruit that is wasteful and does not represent a value to the consumer and should not be shipped.

The shipment of insufficiently mature prunes or fruit lacking in the quality necessary to assure delivery in satisfactory condition would cause an adverse buyer reaction and would tend to demoralize the market for later shipments of such fruit. Such undesirable fruit

has been marketed in the past and undoubtedly would again be marketed in the absence of regulation when the season average price is above parity. Hence, the discontinuance of regulations during seasons when the average price exceeds parity could adversely affect consumers and also result in dissipation of all benefits from the prior operation of the program.

growing conditions Adverse weather factors may cause some fruit to develop abnormally, or so affect the quality that it would not be in the public interest to permit its shipment. possible development depends on the conditions in the particular season. It is necessary, therefore, that the provisions of the order contain the flexibility needed to reflect such conditions. Hence, the specific minimum standards of quality and maturity that may be made applicable during a particular year should be established by the Secretary upon the basis of the recommendations of the committee, made after review of the existing conditions that year, or other available information.

(f) The order should provide for the exemption from its provisions of such handling of prunes which it is not necessary to regulate in order to effectuate the declared purposes of the act. Insofar as practicable, such exempted handling should be stated explicitly in the order so that handlers will have knowledge of such handling as is not subject to the provisions of the program.

Prunes which are handled for consumption by charitable institutions, for distribution by relief agencies, or for commercial processing into products have little influence on the level of prices for fresh prunes sold in the domestic and export markets. Hence, prunes handled for such purposes should be exempted from compliance with the regulations issued under the order.

In addition, provision should be made to authorize the committee, with the approval of the Secretary, to exempt the handling of prunes, in such specified small quantities, or types of shipments, or shipments made for such specified purposes as it is not necessary to regulate in order to effectuate the declared purposes of the act. Such authorization is necessary to enable the exemption of such handling as may be determined necessary to facilitate the conduct of research, and handling which is found not feasible administratively to regulate and which does not materially affect marketing conditions in commercial channels. It would be impractical to set forth these exemptions in detail in the order, because to do so would destroy the flexibility which is necessary to reflect conditions affecting the handling of prunes in the production area. Therefore, it should be discretionary with the committee, subject to the approval of the Secretary, whether small quantities or types of shipments, or shipments made for specified purposes, should be exempted from regulation, inspection, and assessments and the period during which such exemptions should be in effect.

The allowance of such exemptions may be found to result in avenues of escape

from regulation which, if they are found to exist, should be closed. Hence, the committee should be authorized to prescribe, with the approval of the Secretary, such rules, regulations, and safeguards as are necessary to prevent prunes handled for any of the exempted purposes from entering into regulated channels of trade and thereby tend to defeat the objective of the program. For example, should it be found that a portion of the prunes moving to commercial processors was being diverted to fresh fruit markets, it may be necessary for the committee to establish procedures to govern the movement of fruit for processing even though such prunes do not have to comply with grade, size, quality, and other requirements. These procedures might include such requirements as filing applications for authorization to move prunes in exempted channels and certification by the receiver that such prunes would be used only for the purpose indicated, if it is found that such requirements are necessary to the effective enforcement of the program regulations.

(g) Provision should be made in the order requiring all prunes handled, during any period when handling limitations are effective, to be inspected by the Federal or Federal-State Inspection Service and certified as meeting the requirements of the applicable regulation. Inspection and certification of all prunes handled during periods of regulation are essential to the effective supervision of the regulations. Evidence of compliance with regulations issued under the program can be ascertained only through inspection and certification of all prunes handled during the effective period of such regulations. As the handler of prunes is the person responsible for compliance with such regulations, it is reasonable and necessary to require handlers to submit each lot of prunes handled for inspection and certification and to file a copy of the certificate of inspection with the committee. It was testified that handlers are familiar with the Federal and Federal-State Inspection Service and the certification of prunes in the production area, and the use of such inspection agency under this program is desired by the industry.

Responsibility for obtaining inspection and certification should fall on each person who handles prunes. In this way, not only will the handler who first ships or handles prunes be required to obtain inspection and certification thereof, but also no subsequent handler may handle prunes unless a properly issued inspection certificate, valid pursuant to the terms of the order and applicable regulations thereunder applies to the shipment. Each handler must bear responsibility for determining that each of his shipments is so inspected and

In instances where any lot of prunes previously inspected is regraded, resorted, repackaged, or in any other way subjected to further preparation for market, such prunes should be required to be inspected following such preparation and certified as meeting the requirements of the applicable regulations

certified.

before such prunes are handled, since the identity of the lot is lost in such preparation and the validity of the prior inspection certificate and the information shown thereon destroyed.

It was testified at the hearing that there are a few orchards, which may include prune trees, located near Roosevelt, along the Snake River, and elsewhere which would be a great distance, perhaps as much as 80 miles, from established inspection points, or, because of the terrain or other reasons, would be extremely inaccessible. For these and perhaps other reasons it would be expensive and impractical to make the inspection at the point where such prunes would be prepared for market and first handled as defined in the order and thus become subject to regulations. Inspection fees are the chief source of income for the Federal-State Inspection Service. For that reason, it is generally not the policy to maintain a year-round staff of the size required for peak load periods. The use of inspection personnel for such isolated inspections where a large percentage of the time involved is spent in travel, would not utilize such personnel in an efficient manner. The evidence of record shows that, in most instances, fruit from the aforementioned areas, while being transported, either will pass, at least reasonably close to, an established inspection point where inspection is readily available, or will terminate in a market where an inspector is permanently stationed for destination inspections. It seems logical to assume that prunes will be handled in a similar manner and inspection can be made the same as for other fruits. It was testified at the hearing that, in order to prevent undue hardship and expense to such growers and to permit the more efficient use of inspection personnel, the committee should have the authority to issue rules and regulations, with the approval of the Secretary, to permit growers, who, because of location or other reasons, are determined by the committee to be inaccessible for inspection at the point where such prunes are prepared for market, to have such inspection performed at such location as the committee may specify. The committee should also be authorized to prescribe such safeguards as are necessary to prevent prunes so handled from being marketed in fresh fruit channels without complying with the provisions of the order.

(h) The committee should have the authority, with the approval of the Secretary, to require that handlers submit to the committee such reports and information as may be needed to perform such agency's functions under the order. Handlers have such necessary information in their possession, and the requirement that they furnish such information to the committee in the form of reports would not constitute an undue burden. Moreover, since handlers are the only persons subject to regulation under the program, they are the only persons who could be required to furnish such information. It was testified that, based upon knowledge and experience gained through the operation of the cherry and apricot programs, much of the information needed from handlers could be obtained from the inspection certificate. However, it was pointed out that it is difficult to anticipate every type of report or kind of information which the committee may find necessary in the conduct of its operations under the order. Therefore, the committee should have the authority to request, with approval of the Secretary, reports and information as needed, of the type set forth in the order, and at such times and in such manner as may be necessary.

The Secretary should retain the right to approve, change, or rescind any requests by the committee for information in order to protect handlers from unreasonable requests for reports. Any reports and records submitted for committee use by handlers should remain under protective classification and be disclosed to none other than the Secretary and persons authorized by the Secretary.

Under certain circumstances, the release of information with respect to prune shipments may be helpful to the committee and the industry generally in planning for operations under the order during the marketing season. However. none of such reported information should be released other than on a composite basis, and no such release of information should disclose ither the identity of handlers or their operations. This is necessary to prevent the disclosure of information which may affect detrimentally the trade or financial position, or the business operations of individual handlers.

Since it is possible that a question could arise with respect to compliance, handlers should be required to maintain for each fiscal period complete records of their receipts, handling, and dispositions of prunes. Such records should be retained for not less than two succeeding years.

(i) Except as provided in the order, no handler should be permitted to handle prunes, the handling of which is prohibited pursuant to the order; and no handler should be permitted to handle prunes except in conformity with the order. If the program is to operate effectively, compliance therewith is essential; and hence, no handler should be permitted to evade any of its provisions. Any such evasion on the part of even one handler could be demoralizing to the handlers who are in compliance and would tend, thereby, to impair the effective operation of the program.

(j) The provisions of §§ 1029.62 through 1029.71, as hereinafter set forth, are similar to those which are included in other marketing agreements and orders now operating. The provisions of §§ 1029.72 through 1029.74, as hereinafter set forth, are also included in other marketing agreements now in effect. All such provisions are incidental to and not inconsistent with the act and are necessary to effectuate the other provisions of the recommended marketing agreement and order and to effectuate the declared policy of the act. Testimony at the hearing supports the inclusion of each such provision.

Those provisions which are applicable to both the proposed marketing agreement and the proposed order, identified by section number and heading, are as follows: § 1029.62 Right of the Secretary; § 1029.63 Effective time; § 1029.64 Termination; § 1029.65 Proceedings after termination; § 1029.66 Effect of termination or amendment; § 1029.67 Duration of immunities; § 1029.68 Agents; § 1029.69 Derogation; § 1029.70 Personal liability; and § 1029.71 Separability.

Those provisions which are applicable to the proposed marketing agreement only, identified by section number and heading, are as follows: § 1029.72 Counterparts; § 1029.73 Additional parties; and § 1029.74 Order with marketing agreement.

Rulings on proposed findings and conclusions. March 19, 1960, was set by the Presiding Officer at the hearing as the latest date by which briefs would have to be filed by interested parties with respect to facts presented in evidence at the hearing and the conclusions which should be drawn therefrom. Briefs were filed within the prescribed time by George K. Walker, in support of the program, and by Fred S. Grath and Ben Johnson, for himself and 11 other growers, opposing the inclusion of Umatilla County, Oregon, in the program. All of these briefs rely only on the portion of the record obtained at the part of the hearing which was held in Milton-Freewater, Oregon. However, the hearing consisted of two sessions-namely one session at Yakima, Washington, and another at Milton-Freewater, Oregon. Even though the entire subject matter open for consideration at the hearing was not covered fully and completely at each session, the testimony given at both sessions covers all the subject matter and constitutes the complete record of the hearing upon which the findings and conclusions are based. The evidence of record shows that shipments of immature and poor quality prunes have been made from Umatilla County, Oregon; that prunes produced in Umatilla County, Oregon, are marketed during the same period, and in the same markets, as those produced in eastern Washington, and that there has been in the past, and likely again will be a commingling of fruit produced in Washington and Umatilla County, Oregon, at the time such fruit was prepared for market. Such evidence indicates a need for including Umatilla County, Oregon, within the production area covered by the program.

Every point covered in each brief was carefully and fully considered, in conjunction with the evidence in the record. in arriving at the findings and conclusions set forth herein. To the extent that any suggested findings and conclusions contained in such briefs are inconsistent with the findings and conclusions contained herein, the request to make such findings, or to reach such conclusions, is denied on the basis of the facts found and stated in connection with this

General findings. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) The marketing agreement and order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The said marketing agreement and order regulate the handling of prunes grown in the production area in the same manner as, and are applicable only to persons in the respective classes of commercial and industrial activity specified in a proposed marketing agreement and order upon which a hearing has been held;

(3) The said marketing agreement and order are limited in their application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) The said marketing agreement and order prescribe, so far as practicable, such different terms applicable to different parts of the production area as are necessary to give due recognition to the difference in the production and marketing of prunes grown in the production area; and

(5) All handling of prunes grown in the production area as defined in said marketing agreement and order is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

Recommended marketing agreement and order. The following marketing agreement and order are recommended as the detailed means by which the foregoing conclusions may be carried out:

#### DEFINITIONS

#### § 1029.1 Secretary.

"Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

#### § 1029.2 Act.

"Act" means Public Act No. 10, 73d Congress (May 12, 1933), as amended and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (sec. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674).

#### § 1029.3 Person.

"Person" means an individual, partnership, corporation, association, or any other business unit.

### § 1029.4 Production area.

"Production area" means the Counties of Okanogan, Chelan, Kittitas, Yakima, and Klickitat in the State of Washington and all counties in Washington lying east thereof and Umatilla County in the State of Oregon.

#### § 1029.5 Prunes.

"Prunes" means all varieties of plums, classified botanically as Prunus domestica, grown in the production area, except those of the President variety.

#### § 1029.6 Varieties.

"Varieties" means and includes all classifications or subdivisions of prunes.

#### § 1029.7 Fiscal period.

"Fiscal period" is synonymous with fiscal year and means the 12-month period ending on March 31 of each year or such other period that may be approved by the Secretary pursuant to recommendations by the committee.

#### § 1029.8 Committee.

"Committee" means the Washington-Oregon Fresh Prune Marketing Committee established pursuant to § 1029.20.

#### § 1029.9 Grade.

"Grade" means any one of the officially established grades of prunes as defined and set forth in the United States Standards for Fresh Plums and Prunes (§§ 51.1520–51.1537 of this title) or amendments thereto, or modifications thereof, or variations based thereon.

#### § 1029.10 Size.

"Size" means the shortest dimension, measured through the center of the prune, at right angles to a line running from the stem to the blossom end, or such other specifications as may be established by the committee with the approval of the Secretary.

#### § 1029.11 Grower.

"Grower" is synonymous with producer and means any person who produces prunes for market and who has a proprietary interest therein.

#### § 1029.12 Handler.

. "Handler" is synonymous with shipper and means any person (except a common or contract carrier transporting prunes owned by another person) who handles prunes.

#### § 1029.13 Handle.

"Handle" or "ship" means to sell, consign, deliver, or transport prunes within the production area or between the production area and any point outside thereof: *Provided*, That the term "handle" shall not include the transportation within the production area of prunes from the orchard where grown to a packing facility located within such area for preparation for market.

#### § 1029.14 District.

"District" means the applicable one of the following described subdivisions of the production area, or such other subdivisions as may be prescribed pursuant to § 1029.31(m):

(a) "District 1" shall include all of the production area except Walla Walla, Columbia, Garfield, and Asotin Counties in the State of Washington, and Umatilla County in the State of Oregon.

(b) "District 2" shall include the County of Umatilla in the State of Oregon and the Counties of Walla Walla, Columbia, Garfield, and Asotin in the State of Washington.

#### § 1029.15 Export.

"Export" means to ship prunes to any destination which is not within the 48

contiguous States, or the District of Columbia, of the United States.

#### § 1029.16 Pack.

"Pack" means the specific arrangement, size, weight, count, or grade of a quantity of prunes in a particular type and size of container, or any combination thereof.

#### § 1029.17 Container.

"Container" means a box, bag, crate, lug, basket, carton, package, or any other type of receptacle used in the packaging or handling of prunes.

#### ADMINISTRATIVE BODY

#### § 1029.20 Establishment and membership.

There is hereby established a Washington-Oregon Fresh Prune Marketing Committee consisting of 9 members, each of whom shall have an alternate who shall have the same qualifications as the member for whom he is an alternate. Six of the members and their respective alternates shall be growers or officers or employees of corporate growers. Three of the members and their respective alternates shall be handlers, or officers or employees of handlers. The 6 members of the committee who are growers or employees or officers of corporate growers are hereinafter referred to as "grower members" of the committee; and the 3 members of the committee who shall be handlers, or officers or employees of handlers, are hereinafter referred to as "handler members" of the committee. Four of the grower members and their respective alternates shall be producers of prunes in District 1, and 2 of the grower members and their respective alternates shall be producers of prunes in District 2. Two of the handler members and their respective alternates shall be handlers of prunes in District 1, and 1 of the handler members and his respective alternate shall be handlers of prunes in District 2.

#### § 1029.21 Term of office.

The term of office of each member and alternate member of the committee shall be for two years beginning April 1 and ending March 31: Provided, That the term of office of one-half the initial grower members and alternates from each district and one handler member and alternate from District 1 shall end March 31, 1961. Members and alternate members shall serve in such capacities for the portion of the term of office for which they are selected and have qualified and until their respective successors are selected and have qualified.

#### § 1029.22 Nominations.

(a) Initial members. Nominations for each of the initial members of the committee, together with nominations for the initial alternate members for each position, may be submitted to the Secretary by individual growers and handlers. Such nominations may be made by means of group meetings of the growers and handlers concerned in each district. Such nominations, if made, shall be filed with the Secretary no later than the effective date of this part. In the event nominations for initial members and al-

<sup>&</sup>lt;sup>1</sup>The provisions identified with asterisks (\*\*\*) apply only to the proposed marketing agreement and not to the proposed order.

ternate members of the committees are not filed pursuant to, and within the time specified in, this section, the Secretary may select such initial members and alternate members without regard to nominations, but selections shall be on the basis of the representation provided for in § 1029.20.

- (b) Successor members. (1) Except as may otherwise be prescribed pursuant to subparagraph (3) of this paragraph, the committee shall hold or cause to be held, not later than March 1 of each year, a meeting or meetings of growers and handlers in each district for the purpose of designating nominees for successor members and alternate members of the committee. At each such meeting a chairman and a secretary shall be selected by the growers and handlers eligible to participate therein. The chairman shall announce at the meeting the number of votes cast for each person nominated for member or alternate member and shall submit promptly to the committee a complete report concerning such meeting. The committee shall, in turn, promptly submit a copy of each such report to the Secretary.
- (2) Only growers, including duly authorized officers or employees of corporate growers, who are present at such nomination meetings may participate in the nomination and election of nominees for grower members and their alternates. Each grower shall be entitled to cast only one vote for each nominee to be elected in the district in which he produces prunes. No grower shall participate in the election of nominees in more than one district in any one fiscal year. If a person is both a grower and a handler of prunes, such person may vote either as a grower or as a handler but not as both.
- (3) Only handlers, including duly authorized officers or employees of handlers, who are present at such nomination meetings, may participate in the nomination and election of nominees for handler members and their alternates: Provided, That, in the event the committee determines that attendance at such nomination meetings is not representative of handlers generally, it may, with the approval of the Secretary, obtain nominations for handler members and their alternates by mail ballot. Each handler shall be entitled to cast only one vote for each nominee to be elected in the district in which he handles prunes, which vote shall be weighted by the volume of prunes handled by such handler during the then current fiscal year. No handler shall participate in the election of nominees in more than one district in any one fiscal year. If a person is both a grower and a handler of prunes, such person may vote either as a grower or as a handler but not as both.

#### § 1029.23 Selection.

From the nominations made pursuant to § 1029.22, or from other qualified persons, the Secretary shall select the 6 grower members of the committee, the 3 handler members of the committee, and an alternate for each such member.

#### § 1029.24 Failure to nominate.

If nominations are not made within the time and in the manner prescribed in § 1029.22, the Secretary may, without regard to nominations, select the members and alternate members of the committee on the basis of the representation provided for in § 1029.20.

#### § 1029.25 Acceptance.

Any person selected by the Secretary as a member or as an alternate member of the committee shall qualify by filing a written acceptance with the Secretary promptly after being notified of such selection.

#### § 1029.26 Vacancies.

To fill any vacancy occasioned by the failure of any person selected as a member or as an alternate member of the committee to qualify, or in the event of the death, removal, resignation, or disqualification of any member or alternate member of the committee, a successor for the unexpired term of such member or alternate member of the committee shall be nominated and selected in the manner specified in §§ 1029.22 and 1029.23. If the names of nominees to fill any such vacancy are not made available to the Secretary within a reasonable time after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of representation provided for in § 1029.20.

#### § 1029.27 Alternate members.

An alternate member of the committee during the absence or at the request of the member for whom he is an alternate, shall act in the place and stead of such member and perform such other duties as assigned. In the event of the death. removal, resignation, or disqualification of a member, his alternate shall act for him until a successor for such member is selected and has qualified. In the event both a member of the committee and his alternate are unable to attend a committee meeting, the member or the committee may designate any other alternate member from the same district and group (handler or grower) to serve in such member's place and stead.

#### § 1029.30 Powers.

The committee shall have the following powers:

- (a) To administer the provisions of this part in accordance with its terms;
- (b) To receive, investigate, and report to the Secretary complaints of violations of the provisions of this part;
- (c) To make and adopt rules and regulations to effectuate the terms and provisions of this part; and
- (d) To recommend to the Secretary amendments to this part.

#### § 1029.31 Duties.

The committee shall have, among others, the following duties:

- (a) To select a chairman and such other officers as may be necessary, and to define the duties of such officers;
- (b) To appoint such employees, agents, and representatives as it may

deem necessary, and to determine the compensation and to define the duties of each:

- (c) To submit to the Secretary as soon as practicable after the beginning of each fiscal period a budget for such fiscal period, including a report in explanation of the items appearing therein and a recommendation as to the rate of assessment for such period;
- (d) To keep minutes, books, and records which will reflect all of the acts and transactions of the committee and which shall be subject to examination by the Secretary;
- (e) To prepare periodic statements of the financial operations of the committee and to make copies of each such statement available to growers and handlers for examination at the office of the committee:
- (f) To cause its books to be audited by a competent accountant at least once each fiscal year and at such time as the Secretary may request;
- (g) To act as intermediary between the Secretary and any grower or handler:
- (h) To investigate and assemble data on the growing, handling, and marketing conditions with respect to prunes:
- (i) To submit to the Secretary such available information as he may request;
- (j) To notify producers and handlers of all meetings of the committee to consider recommendations for regulations;
- (k) To give the Secretary the same notice of meetings of the committee as is given to its members;
- (1) To investigate compliance with the provisions of this part;
- (m) With the approval of the Secretary, to redefine the districts into which the production area is divided, and to reapportion the representation of any district on the committee: Provided, That any such changes shall reflect, insofar as practicable, shifts in prune production within the districts and the production area.

### § 1029.32 Procedure. .

- (a) Six members of the committee, including alternates acting for members, shall constitute a quorum; and any action of the committee shall require the concurring vote of at least 6 members: *Provided*, That any action relating to regulations authorized by §§ 1029.52 and 1029.53 which would be effective in District 2 shall require the concurring vote of at least 2 members from District 2.
- (b) The committee may provide for simultaneous meetings of groups of its members assembled at two or more designated places: *Provided*, That such meetings shall be subject to the establishment of communication between all such groups and the availability of loud speaker receivers for each group so that each member may participate in the discussions and other actions the same as if the committee were assembled in one place. Any such meeting shall be considered as an assembled meeting.
- (c) The committee may vote by telegraph, telephone, or other means of communication, and any votes so cast shall be confirmed promptly in writing:

Provided, That if an assembled meeting is held, all votes shall be cast in person.

#### § 1029.33 Expenses and compensation.

The members of the committee, and alternates when acting as members. shall be reimbursed for expenses necessarily incurred by them in the performance of their duties under this part and may also receive compensation, as determined by the committee, which shall not exceed \$10 per day or portion thereof spent in performing such duties: Provided, That at its discretion the committee may request the attendance of one or more alternates at any or all meetings, notwithstanding the expected or actual presence of the respective members, and may pay expenses and compensation, as aforesaid.

#### § 1029.34 Annual report.

The committee shall, prior to the last day of each fiscal period, prepare and mail an annual report to the Secretary and make a copy available to each handler and grower who requests a copy of the report. This annual report shall contain at least: (a) A complete review of the regulatory operations during the fiscal period; (b) an appraisal of the effect of such regulatory operations upon the prune industry; and (c) any recommendations for changes in the program.

#### EXPENSES AND ASSESSMENTS

#### § 1029.40 Expenses.

The committee is authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by the committee for its maintenance and functioning and to enable it to exercise its powers and perform its duties in accordance with the provisions of this part during each fiscal period. The funds to cover such expenses shall be acquired by the levying of assessments as prescribed in § 1029.41.

#### § 1029.41 Assessments.

- (a) Each person who first handles prunes shall, with respect to the prunes so handled by him, pay to the committee upon demand such person's pro rata share of the expenses which the Secretary finds will be incurred by the committee during each fiscal period. Each such person's share of such expenses shall be equal to the ratio between the total quantity of prunes handled by him as the first handler thereof during the applicable fiscal period and the total quantity of prunes so handled by all persons during the same fiscal period. The payment of assessments for the maintenance and functioning of the committe may be required under this part throughout the period it is in effect irrespective of whether particular provisions thereof are suspended or become inoperative.
- (b) The Secretary shall fix the rate of assessment to be paid by each such person. At any time during or after the fiscal period, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses which may be incurred. Such increase shall be applied to all prunes

handled during the applicable fiscal period. In order to provide funds for the administration of the provisions of this part during the first part of a fiscal period before sufficient operating income is available from assessments on the current year's shipments, the committee may accept the payment of assessments in advance, and may also borrow money for such purpose.

#### § 1029.42 Accounting.

- (a) If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, such excess shall be accounted for as follows:
- (1) Except as provided in subparagraphs (2) and (3) of this paragraph, each person entitled to a proportionate refund of any excess assessment shall be credited with such refund against the operation of the following fiscal period unless such person demands repayment thereof, in which event it shall be paid to him: Provided, That any sum paid by a person in excess of his pro rata share of the expenses during any fiscal period may be applied by the committee at the end of such fiscal period to any outstanding obligations due the committee from such person.
- (2) The committee, with the approval of the Secretary, may establish and maintain during one or more fiscal years an operating monetary reserve in an amount not to exceed approximately one fiscal year's operational expenses. Funds in such reserve shall be available for use by the committee for all expenses authorized pursuant to § 1029.40.
- (3) Upon termination of this part, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate: *Provided*, That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.
- (b) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part and shall be accounted for in the manner provided in this part. The Secretary may at any time require the committee and its members to account for all receipts and disbursements.
- (c) Upon the removal or expiration of the term of office of any member of the committee, such member shall account for all receipts and disbursements and deliver all property and funds in his possession to his successor in office, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor full title to all of the property, funds, and claims vested in such member pursuant to this part.

#### RESEARCH

### § 1029.45 Marketing research and development.

The committee, with the approval of the Secretary, may establish or provide for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of prunes. The expense of such projects shall be paid from funds collected pursuant to § 1029.41.

#### REGULATIONS

#### § 1029.50 Marketing policy.

- (a) Each season prior to making any recommendations pursuant to § 1029.51, the committee shall submit to the Secretary a report setting forth its marketing policy for the ensuing season. Such marketing policy report shall contain information relative to:
- (1) The estimated total production of prunes within the production area;
- (2) The expected general quality and size of prunes in the production area and in other areas;
- (3) The expected demand conditions for prunes in different market outlets:
- (4) The expected shipments of prunes produced in the production area and in areas outside the production area;
- (5) Supplies of competing commodities:
- (6) Trend and level of consumer income;
- (7) Other factors having a bearing on the marketing of prunes; and
- (8) The type of regulations expected to be recommended during the season.
- (b) In the event it becomes advisable, because of changes in the supply and demand situation for prunes, to modify substantially such marketing policy, the committee shall submit to the Secretary a revised marketing policy report setting forth the information prescribed in this section. The committee shall publicly announce the contents of each marketing policy report, including each revised marketing policy report, and copies thereof shall be maintained in the office of the committee where they shall be available for examination by growers and handlers.

### § 1029.51 Recommendations for regulation.

- (a) Whenever the committee deems it advisable to regulate the handling of any variety or varities of prunes in the manner provided in § 1029.52, it shall so recommend to the Secretary.
- (b) In arriving at its recommendations for regulation pursuant to paragraph (a) of this section, the committee shall give consideration to current information with respect to the factors affecting the supply and demand for prunes during the period or periods when it is proposed that such regulation should be made effective. With each such recommendation for regulation, the committee shall submit to the Secretary the data and information on which such recommendation is predicated and such other available information as the Secretary may request.

#### § 1029.52 Issuance of regulations.

(a) The Secretary shall regulate, in the manner specified in this section, the handling of prunes whenever he finds, from the recommendations and information submitted by the committee, or from other available information, that such regulations will tend to effectuate the declared policy of the act. Such regulations may:

- (1) Limit, during any period or periods, the shipment of any particular grade, size, quality, maturity, or pack, or any combination thereof, of any variety or varieties of prunes grown in any district or districts: *Provided*, That whenever any regulation under this subparagraph prescribes a specific maturity requirement applicable to the handling of any variety of prunes, such maturity requirement shall apply uniformly to all prunes of such variety grown in both districts:
- (2) Limit the shipment of prunes by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity during any period when season average prices are expected to exceed the parity level;
- (3) Fix the size, capacity, weight, dimensions, markings, or pack of the container, or containers, which may be used in the packaging or handling of prunes;
- (4) Prescribe requirements, as provided in this paragraph, applicable to exports of any variety of prunes which are different from those applicable to the handling of the same variety to other destinations.
- (b) The committee shall be informed immediately of any such regulation issued by the Secretary, and the committee shall promptly give notice thereof to growers and handlers.

### § 1029.53 Modification, suspension, or termination of regulations.

- (a) In the event the committee at any time finds that, by reason of changed conditions, any regulations issued pursuant to § 1029.52 should be modified, suspended, or terminated, it shall so recommend to the Secretary.
- (b) Whenever the Secretary finds, from the recommendations and information submitted by the committee or from other available information, that a regulation should be modified, suspended, or terminated with respect to any or all shipments of prunes in order to effectuate the declared policy of the act, he shall modify, suspend, or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such modification or suspension. If the Secretary finds that a regulation obstructs or does not tend to effectuate the declared policy of the act, he shall suspend or terminate such regulation. On the same basis and in like manner the Secretary may terminate any such suspension.

### § 1029.54 Special purpose shipments.

- (a) Except as otherwise provided in this section, any person may, without regard to the provisions of §§ 1029.41, 1029.52, 1029.53, and 1029.55, and the regulations issued thereunder, handle prunes (1) for consumption by charitable institutions; (2) for distribution by relief agencies; or (3) for commercial processing into products.
- (b) Upon the basis of recommendations and information submitted by the committee, or from other available information, the Secretary may relieve from any or all requirements, under or established pursuant to §§ 1029.41, 1029.52, 1029.53, or § 1029.55, the handling of prunes in such minimum quan-

tities, or types of shipments, or for such specified purposes (including shipments to facilitate the conduct of marketing research and development projects established pursuant to § 1029.45) as the committee, with approval of the Secretary, may prescribe.

(c) The committee shall, with the approval of the Secretary, prescribe such rules, regulations, and safeguards as it may deem necessary to prevent prunes handled under the provisions of this section from entering the channels of trade for other than the specific purposes authorized by this section. Such rules, regulations, and safeguards may include the requirements that handlers shall file applications and receive approval from the committee for authorization to handle prunes pursuant to this section, and that such applications be accompanied by a certification by the intended purchaser or receiver that the prunes will not be used for any purpose not authorized by this section.

#### § 1029.55 Inspection and certification.

Whenever the handling of any variety of prunes is regulated pursuant to § 1029.52 or § 1029.53, each handler who handles prunes shall, prior thereto, cause such prunes to be inspected by the Federal or Federal-State Inspection Service, and certified by it as meeting the applicable requirements of such regulation: Provided, That inspection and certification shall be required for prunes which previously have been so inspected and certified only if such prunes have been regraded, resorted, repackaged, or in any other way further prepared for market. Promptly after inspection and certification, each such handler shall submit, or cause to be submitted, to the committee a copy of the certificate of inspection issued with respect to such prunes. The committee may, with the approval of the Secretary, prescribe rules and regulations modifying the inspection requirements of this section as to time and place such inspection shall be performed whenever it is determined it would not be practical to perform the required inspection at a particular location: Provided, That all such shipments shall comply with all regulations in effect.

#### REPORTS

#### § 1029.60 Reports.

- (a) Upon request of the committee made with the approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties under this part. Such reports may include, but are not necessarily limited to, the following: (1) The quantities of each variety of prunes received by a handler; (2) the quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation; (3) the date of each such disposition and the identification of the carrier transporting such prunes; and (4) the destination of each shipment of such prunes.
- (b) All such reports shall be held under appropriate protective classifica-

tion and custody by the committee, or duly appointed employees thereof, so that the information contained therein which may adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers are authorized, subject to the prohibition of disclosure of individual handler's identities or operations.

(c) Each handler shall maintain for at least two succeeding years such records of the prunes received, and of prunes disposed of, by such handler as may be necessary to verify reports pursuant to this section.

#### MISCELLANEOUS PROVISIONS

#### § 1029.61 Compliance.

Except as provided in this part, no person shall handle prunes, the shipment of which has been prohibited by the Secretary in accordance with the provisions of this part; and no person shall handle prunes except in conformity with the provisions and the regulations issued under this part.

#### § 1029.62 Right of the Secretary.

The members of the committee (including successors and alternates), and any agents, employees, or representatives thereof, shall be subject to removal or suspension by the Secretary at any time. Each and every regulation, decision, determination, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the committee shall be deemed null and void, except as to acts done in reliance thereon or in accordance therewith prior to such disapproval by the Secretary.

#### § 1029.63 Effective time.

The provisions of this part and any amendments thereto shall become effective at such time as the Secretary may declare above his signature, and shall continue in force until terminated in one of the ways specified in § 1029.64.

#### § 1029.64 Termination.

- (a) The Secretary may at any time terminate the provisions of this part by giving at least one day's notice by means of a press release or in any other manner in which he may determine.
- (b) The Secretary shall terminate or suspend the operation of any and all of the provisions of this part whenever he finds that such provisions do not tend to effectuate the declared policy of the act.
- (c) The Secretary shall terminate the provisions of this part at the end of any fiscal period whenever he finds that continuance is not favored by the majority of producers who, during a representative period determined by the Secretary, were engaged in the production area in the production of prunes for market in fresh form: Provided, That such majority has produced for market during such period more than 50 percent of the volume of prunes produced for fresh market in the production area; but such termination shall be effective only if an-

then current fiscal period.

(d) The provisions of this part shall. in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

#### § 1029.65 Proceedings after termination.

(a) Upon the termination of the provisions of this part, the committee shall, for the purpose of liquidating the affairs of the committee, continue as trustees of all the funds and property then in its possession, or under its control, including claims for any funds unpaid or property not delivered at the time of such termination.

(b) The said trustees shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such persons as the Secretary may direct; and (3) upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person, full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant hereto.

(c) Any person to whom funds, property, or claims have been transferred or delivered, pursuant to this section, shall be subject to the same obligation imposed upon the committee and upon the trustees.

#### § 1029.66 Effect of termination amendment.

Unless otherwise expressly provided by the Secretary, the termination of this part or of any regulation issued pursuant to this part, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this part or any regulation issued under this part, or (b) release or extinguish any violation of this part or of any regulation issued under this part, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

#### § 1029.67 Duration of immunities.

The benefits, privileges, and immunities conferred upon any person by virtue of this part shall cease upon the termination of this part, except with respect to acts done under and during the existence of this part.

#### § 1029.68 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States, or name any agency or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this part.

#### § 1029.69 Derogation.

Nothing contained in the provisions of this part is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United

nounced on or before March 31 of the States (a) to exercise any powers granted by the act or otherwise, or (b) in accordance with such powers, to act in the premises whenever such action is deemed advisable.

#### § 1029.70 Personal liability.

No member or alternate member of the committee and no employee or agent of the committee shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, employee, or agent, except for acts of dishonesty, wilful misconduct, or gross negligence.

#### § 1029.71 Separability.

If any provision of this part is declared invalid or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this part or the applicability thereof to any other person, circum-stance, or thing shall not be affected thereby.

#### § 1029.72 Counterparts.

This agreement may be executed in multiple counterparts and when one counterpart is signed by the Secretary. all such counterparts shall constitute. when taken together, one and the same instrument as if all signatures were contained in one original. \* \*

### § 1029.73 Additional parties.

After the effective date hereof, any handler may become a party to this agreement if a counterpart is executed by him and delivered to the Secretary. This agreement shall take effect as to such new contracting party at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this agreement shall then be effective as to such new contracting party. \* \* \*

#### § 1029.74 Order with marketing agreement.

Each signatory handler hereby requests the Secretary to issue, pursuant to the act, an order providing for the regulating of the handling of fresh prunes in the same manner as is provided for in this agreement. \* \* \*

Dated: April 21, 1960:

ROY W. LENNARTSON. Deputy Administrator. Marketing Services.

[F.R. Doc. 60-3751; Filed, Apr. 25, 1960; 8:48 a.m.]

### FEDERAL AVIATION AGENCY

[ 14 CFR Part 600 ]

[Airspace Docket No. 60-KC-15]

#### FEDERAL AIRWAYS

#### Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering amendments to §§ 600.6006 and 600.6172 of the regulations of the Administrator, the substance of which is stated below

VOR Federal airway No. 6 presently extends in part, from North Platte, Nebr., to Grand Island, Nebr., including a north alternate from North Platte to Grand Island via the intersection of the North Platte VOR 072° and the Grand Island VOR 287° True radials. VOR Federal airway No. 172 presently extends from North Platte to Wolback, Nebr., via the intersection of the North Platte VOR 072° and the Wolback VOR 266° True radials. The Federal Aviation Agency has under consideration the modification of Victor 6 north alternate by realigning it from North Platte to Grand Island via the North Platte VOR 073° and the Grand Island VOR 288° True radials. This modification would provide sufficient angular separation between this segment of Victor 6 and Victor 6 north alternate to permit optimum use of these airway segments for arriving, departing and enroute aircraft. In addition, it is proposed to modify Victor 172 by realigning it from North Platte to Wolback via the intersection of the North Platte VOR 073° and the Wolback VOR 266° True radials to coincide with Victor 6 north alternate from North Platte to the intersection with the Grand Island VOR 288° True radial which would form a common intersection at the apex of Victor 6 north alternate and Victor 172, thereby facilitating air traffic management. The control areas associated with Victor 6 and 172 are so designated that they would automatically conform to the modified airway. Accordingly, no amendment relating to such control areas would be necessary.

If this action is taken, VOR Federal airway No. 6 north alternate would be realigned from North Platte, Nebr., to Grand Island, Nebr., via the intersection of the North Platte VOR 073° and the Grand Island VOR 288° True radials. VOR Federal airway No. 172 segment would be realigned from North Platte to Wolback, Nebr., via the intersection of the North Platte VOR 073° and the Wolback VOR 266° True radials.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief. Air Traffic Management Field Division, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25. D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be

changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749. 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C. on April 19, 1960.

GEORGE S. CASSADY, Acting Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3722; Filed, Apr. 25, 1960; 8:45 a.m.]

#### [ 14 CFR Parts 600, 601 ]

[Airspace Docket No. 60-WA-71]

#### FEDERAL AIRWAYS AND CONTROL **AREAS**

#### **Modification of Proposal**

In a notice of proposed rule making published as Airspace Docket No. 60-WA-71 in the FEDERAL REGISTER ON April 2, 1960 (25 F.R. 2804), it was stated that the Federal Aviation Agency proposed to realign and extend VOR Federal airway No. 66 from the El Centro, Calif., VOR direct to the San Diego, Calif., VOR, at its new location at latitude 32°45'54" N., longitude 117°13'52" W. It was also stated that the Federal Aviation Agency had under consideration realignment of VOR Federal airway No. 208 between the Oceanside, Calif., VOR and the Thermal, Calif., VOR via the intersection of the Oceanside VOR 101° and San Diego VOR 046° True radials.

Notice is hereby given that the original proposal is amended in that the segment of Victor 208 between Oceanside and Thermal would be realigned via the Julian, Calif., VOR recently commissioned at latitude 33°08′26′′ N., longitude 116°35'05" W. This would provide more precise navigational guidance on the

airway.

In addition, the Federal Aviation Agency also has under consideration the designation of VOR Federal airways No. 460 and 458. Victor 460 would extend from Julian to Blythe, Calif., and would converge with VOR Federal airway No. 64, east of the Thermal VOR. Victor 460 and Victor 208 would provide an additional eastbound route from Los Angeles together with Victor 64, and would bypass the high volume of traffic at the Thermal VOR. Victor 458 would extend from Julian to El Centro, Calif., converging with the proposed segment of VOR Federal airway No. 66 west of the El Centro VOR. Victor 458 together with Victor 208 would provide an additional eastbound route from Los Angeles via Victor 66 and would by-pass the San Diego, Calif., terminal area. The pro-

posal to extend Victor 66 as stated in the Notice, remains unchanged.

If these actions are taken, VOR Federal airways Nos. 208, 460 and 458, and their associated control areas, would extend as follows:

1. VOR Federal airway No. 208. From the Oceanside, Calif., VOR via the Julian, Calif., VOR to the Thermal, Calif., VOR.
2. VOR Federal airway No. 460. From

the Julian, Calif., VOR via the intersection of the Julian VOR 055° and the Blythe, Calif., VOR 272° radials, to the Blythe VOR.

3. VOR Federal airway No. 458. From the Julian, Calif., VOR via the intersection of the Julian VOR 130° and the El Centro, Calif., VOR 271° True radials,

to the El Centro VOR.

In order to provide interested persons time to adequately evaluate this proposal as modified herein, and an opportunity to submit additional written data, views or arguments, the date for filing such material will be extended to May 20, 1960.

In consideration of the foregoing and. pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), I hereby give notice that the time within which comments will be received for consideration on Airspace Docket No. 60-WA-71 is extended to May 20, 1960. Communications should be submitted in triplicate to the Chief, Air Traffic Management Division, Federal Aviation Agency, 5651 West Man-chester Avenue, P.O. Box 90007, Airport Station, Los Angeles 45, California.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749. 752; 49 U.S.C. 1348, 1354).

Issued in Washington D.C., on April 19, 1960.

GEORGE S. CASSADY. Acting Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3723; Filed, Apr. 25, 1960; 8:46 a.m.]

#### [ 14 CFR Part 602 ]

[Airspace Docket No. 60-WA-95]

#### **CODED JET ROUTES**

#### Establishment

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 602 of the regulations of the Administrator, the substance of which is stated below.

The Federal Aviation Agency has under consideration the establishment of VOR/VORTAC jet route No. 103 from St. Petersburg, Fla., to Orlando, Fla., to provide a connecting segment in the route approved for scheduled air carrier turbojet service operating between New York, N.Y., and Tampa, Fla.

If this action is taken, VOR/VORTAC jet route No. 103 would be established from the St. Petersburg, Fla., VOR direct to the Orlando, Fla., VOR.

Interested persons may submit such written data, views or arguments as they

may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Management Field Division, Federal Aviation Agency, P.O. Box 1689, Fort Worth 1, Tex. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Management Field Division Chief, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Air Traffic Management Field Division Chief.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on April 19, 1960.

> GEORGE S. CASSADY, Acting Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-3721; Filed, Apr. 25, 1960; 8:45 a.m.]

#### [ 14 CFR Part 602 ]

[Airspace Docket No. 60-WA-110]

### **CODED JET ROUTES** Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 602.543 of the regulations of the Administrator, the substance of which is stated below.

VOR/VORTAC jet route No. 43 presently extends from Key West, Fla., to Dayton, Ohio. The Federal Aviation Agency has under consideration the modification of this jet route by extending it from the Dayton VORTAC to the Peck, Mich., VOR to provide a route for high altitude traffic operating between the Atlanta, Ga., terminal area and the Detroit, Mich.-Selfridge Air Force Base, Mich. terminal areas.

If this action is taken, VOR/VORTAC jet route No. 43 would be extended from Dayton, Ohio to Peck, Mich.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. All

#### PROPOSED RULE MAKING

communications received within fortyfive days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Utilization Division. Any data, views or arguments presented during such con-

ferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light. of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue [F.R. Doc. 60-3720; Filed, Apr. 25, 1960; NW. Washington 25, D.C. 8:45 a.m.]

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749. 752; 49 U.SC. 1348, 1354).

Issued in Washington, D.C. on April 19, 1960.

GEORGE S. CASSADY, Acting Director, Bureau of Air Traffic Management.

## **Notices**

### DEPARTMENT OF THE TREASURY

Internal Revenue Service

[Order 7, Revocation]

## CORPORATION DECLARATIONS OF ESTIMATED INCOME TAX

#### Delegation of Authority To Grant Extensions of Time for Filing

Delegation order No. 7, dated September 6, 1955, delegated to District Directors of Internal Revenue authority to grant a reasonable extension of time to file a corporation declaration or amended declaration of estimated tax. This authority is now contained in section 1.6074–3 of the Income Tax Regulations (26 CFR 1.6074–3; T.D. 6267, C.B. 1957–2, 797).

Accordingly, Delegation Order No. 7 (20 F.R. 7083), dated September 6, 1955, is hereby revoked.

Date of issue: April 5, 1960.

Effective date: April 5, 1960.

[SEAL]

Dana Latham, Commissioner.

[F.R. Doc. 60-3743; Filed, Apr. 25, 1960; 8:48 a.m.]

[Order 22, Revocation]

### ESTATE TAX RETURNS

#### **Extensions of Time for Filing**

Delegation Order No. 22, dated February 27, 1956, delegated to District Directors of Internal Revenue the authority to grant a reasonable extension of time for filing estate tax returns. This authority is now contained in section 20.6081-1 of the Estate Tax Regulations (26 CFR 20.6081-1; T.D. 6296, C.B. 1958-2, 432).

Accordingly, Delegation Order No. 22 (21 F.R. 1520), dated February 27, 1956, is hereby revoked.

Date of issue: April 5, 1960.

Effective date: April 5, 1960.

[SEAL]

Dana Latham, Commissioner.

[F.R. Doc. 60-3744; Filed, Apr. 25, 1960; 8:48 a.m.]

## Office of the Secretary

### RAYON STAPLE FIBER FROM CUBA

#### Determination of No Sales at Less Than Fair Value

APRIL 20, 1960.

A complaint was received that rayon staple fiber from Cuba was being sold to the United States at less than fair value within the meaning of the Antidumping Act of 1921.

I hereby determine that rayon staple fiber from Cuba is not being, nor is likely to be, sold in the United States at less than fair value within the meaning of section 201(a) of the Antidumping. Act, 1921, as amended (19 U.S.C. 160(a)).

Statement of reasons. It was found that neither such nor similar merchandise is sold for home consumption in Cuba. Identical merchandise is sold for exportation to Canada. Neither such nor similar merchandise is sold for exportation to other third countries.

Sales to the United States are made pursuant to arm's length transactions. Purchase price was, accordingly, compared with the price for exportation to Canada.

In computing purchase price, deductions were made for ocean freight, inland freight in the United States, marine insurance, customs brokerage fees, duty, and commission. In computing the price for exportation to Canada, which was on an f.o.b. Havana basis, deduction was made for commission.

The comparison disclosed that purchase price was not lower than the price

for exportation to Canada.

This determination and the statement of reasons therefor are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(c)).

[SEAL] A. GILMORE FLUES, Acting Secretary of the Treasury.

[F.R. Doc. 60-3745; Filed, Apr. 25, 1960; 8:48 a.m.]

### DEPARTMENT OF DEFENSE

Office of the Secretary

## PROCUREMENT INSPECTION ACTIVITIES

#### Policies and Procedures for Interchange of Inspection Services

REFERENCES: (a) Sections 2451-2456, Title 10, U.S. Code, superseding Public Law 436, 82d Congress, dated July 1, 1952; (b) Public Law 85-781, dated August 27, 1958; (c) DoD Instruction 4155.7, "DoD Policies and Procedures for Interchange of Inspection Services Among Military Procurement Inspection Activities," dated February 6, 1956.

I. Purpose. This Instruction establishes basic policies and procedures for the interchange of procurement inspection services among the military departments and between the military departments and other executive agencies.

II. Cancellation. Reference (c) is hereby superceded and cancelled.

III. Applicability. This Instruction is applicable to the Departments of the Army, Navy and Air Force with respect to procurement inspection at suppliers'

plants within the United States except Alaska and Hawaii.

IV. Definitions. A. Inspection activity is a field organization of the technical services, bureaus, offices and commands of the military departments or of other executive agencies responsible for inspection servicing of suppliers' plants assigned to it on a geographic area or other basis.

B. Inspecting activity is the field organization which provides the required procurement inspection servicing at a supplier's plant for all interested inspection activities or executive agencies.

C. Inspection interchange agreement is a commitment between two or more inspection activities whereby a single inspecting activity provides all of the required procurement inspection servicing at a supplier's plant.

D. Multiple inspection is the inspection servicing of a supplier's plant on either a resident or itinerant basis by more than one inspection activity.

E. Originating activity is the organization placing or administering the contract or order, or the inspection organization requesting procurement inspection from another organization.

F. Supplier's plant is a single building or group of buildings that are

adjacent to each other.

V. Policies. A. Procurement inspection services at a given supplier's plant shall be provided by a single inspecting activity. Such inspection servicing shall be achieved by interchange of inspection services within and among the Departments of the Army, Navy and Air Force and other executive agencies. The military departments shall take positive action to eliminate all multiple inspection other than such multiple inspection as may be necessary for servicing contracts exempted under the provisions of Section VI below.

B. Within each military department responsibility for the direction, administration and review of the inspection interchange program shall be assigned to a single office at the departmental level.

C. Inspection conducted by one Department of Defense inspection activity for another shall be performed without reimbursement, except to the extent that reimbursement-in-kind is practicable. Reimbursement for inspection conducted by a DoD inspection activity for an executive agency other than the Department of Defense shall be on a mutually acceptable basis, in accordance with Reference (b), due consideration being given to possible savings and increased efficiency for the Government as a whole.

VI. Exemption of certain contracts from inspection interchange. An originating activity may exempt the following types of contracts from inspection interchange:

A. Contracts for research, development, testing or experimental work involving inspection tasks that the originating activity determines can be most effectively performed by the inspection activity of the same service.

B. Production contracts which can be effectively serviced only by inspectors having advanced training to perform unusual or highly technical tasks. The purpose of such exemptions is to economically utilize the special skills attained in the course of contracts exempted under VI.A. above, and/or to develop and maintain a cadre of inspectors trained to perform unusual or highly technical inspection tasks in support of mobilization requirements.

VII. Administration—A. Departmental. The office designated to direct and administer the program, as provided in V.B. above, shall have the following

responsibilities:

1. Implementation of pertinent DoD directives and instructions.

2. Review of field procurement inspection activities for compliance with DoD and departmental directives pertinent to inspection interchange.

3. Resolution of intra-departmental interchange problems.

4. Resolution of inter-departmental interchange problems.

- B. Field. Inspection interchange agreements shall be effected at the field level between such organizations as are authorized by each of the departments. Ordinarily, such organizations shall be of commensurate organizational level. Inspection organizations which are delegated authority to arrange inspection interchange shall be guided by the following considerations: ,
- 1. Inspection interchange agreements shall be negotiated only by those inspection activities having current contracts or orders with the supplier.
- 2. In the event that two or more inspection activities are equally interested in obtaining inspection cognizance at a given supplier's plant, that activity which has contracts or orders that indicate the greatest continuous duration of future interest shall be considered to have a primary claim to inspection cognizance.

3. When all contracts or orders directly pertaining to the inspecting activity have been completed at a plant, the inspecting activity shall cease to have cognizance at that plant unless all contracts are scheduled to expire within a

succeeding three-month period.

- 4. When all contracts or orders pertaining to the inspecting activity have been completed at a plant where other activities continue to have contracts or orders which are not scheduled to expire within a succeeding three-month period, inspection cognizance shall be determined by negotiation between those activities which continue to have contracts or orders with the supplier.
- 5. When an inspection activity that previously did not have contracts in a supplier's plant at the time the existing inspection interchange agreement was negotiated acquires a contract of greater continuous duration of future interest than those involved in the existing agreement, the cognizance agreement shall be

reviewed by all interested activities and either confirmed or revised by a new agreement.

6. Exceptions to 2, 3, 4, and 5, above shall be made only with the consent of all interested inspection activities.

VIII. Resolution of conflicting claims to inspection cognizance. When the departments are unable to reach inspection interchange agreements or the propriety of exemptions is questioned and cannot be resolved, these unresolved matters shall be referred independently by each of the interested departments to the Assistant Secretary of Defense (Supply and Logistics) for resolution.

IX. Functions of the inspecting activ-The functions of the inspecting activity shall normally include the

following:

A. Performance of the inspection function by implementation and application of the established policies, procedures and practices of the inspecting activity in order to assure compliance with pertinent contract specifications drawings and other pertinent contract requirements.

B. Transmittal of the inspecting activity's inspection records when requested by the originating activity or of such inspection records as are mutually agreeable to the originating and inspect-

ing activities.

C. Utilization of Department of Defense standard inspection forms when such forms are mandatory, or of its own forms in the absence of standard forms.

- D. Submittal of information to the contracting officer through agreed channels regarding any contractural difficulties which come to the attention of the inspecting activity.
- E. Exercise of necessary precautions to safeguard classified material and data.
- F. Performance of such functions in support of the contracting officer as are mutually agreeable to the originating and inspecting activities.
- X. Functions of the originating activ-The functions of the originating activity shall normally include the following:
- A. Notification of the supplier that the designated inspecting activity will accomplish the inspection functions.
- B. Transmittal expeditiously of pertinent technical information and inspection and test data to suppliers and to the inspecting activity, as appropriate.
- C. Arrangement with the inspecting activity for the scheduling of visits to review inspection procedures.
- XI. Implementation. Each of the military departments shall take immediate action to implement this Instruction. Two copies of the implementing instructions shall be submitted to the Assistant Secretary of Defense (Supply and Logistics) not later than sixty (60) days after date of this Instruction.

PERKINS McGuire, Assistant Secretary of Defense, Supply and Logistics.

APRIL 19, 1960.

[F.R. Doc. 60-3747; Filed, Apr. 25, 1960; 8:48 a.m.]

### DEPARTMENT OF THE INTERIOR

#### **Bureau of Mines**

[Region II, Manual Release No. 11 and Supplements]

#### OFFICIALS IN REGION II

#### Redelegations of Authority To Execute Contracts

- 1. In accordance with the provisions of subparagraph 205.2.4A(2), Bureau of Mines Manual, the following officials of the Bureau of Mines Region II may, subject to the limitations herein prescribed, execute and approve contracts and purchase orders for equipment, supplies, or services including maintenance and repairs, in comformity with applicable regulations and statutory requirements, except that contracts and purchase orders in the following categories require approval by the Director, Bureau of Mines or the Regional Director, Region  $\Pi$ :
  - (a) Any for more than \$2,000.

(b) Purchase of land.

- (c) Printing and binding in excess of \$500.
  - (d) Automobiles and trucks.
- (e) Microfilm equipment and services in excess of \$100.
  - (f) Construction.
- (g) Alterations and repairs to buildings in excess of \$2,500.

(h) Drilling.

- (i) Working fund and reimbursable agreements with other Government agencies under Section 601 of the Economy Act of June 30, 1932, as amended (47 Stat. 417, 31 U.S.C. 686).
- (j) Cooperative agreements on research programs.

Chief, Division of Administration, Region II, provided that the fiscal limitation in item (a) above shall be \$10,000.

Chief, Division of Mineral Resources, Region II.

Chief, San Francisco Petroleum Research Laboratory, Region II. Research Director, Reno Metallurgy Re-

search Center, Region II, provided that the limitation in item (a) above shall be \$25,000. Superintendent, Reno Metallurgy Research Center, Region II.

Project Coordinator, Berkeley Thermodynamics Laboratory, Reno Metallurgy Research Center, Region II.

chief, Boulder City Metallurgy Research aboratory, Reno Metallurgy Research Laboratory, Reno Center, Region II.

Chief, Reno Office of Mining Research, Region II, provided that the fiscal limitation

in item (a) above shall be \$10,000.
Administrative Officer, Reno Metallurgy Research Center, Region II.

Administrative Officer, Boulder City Metallurgy Research Laboratory, Reno Metallurgy Research Center, Region II.

Procurement and Property Management Officer, Region II.

Designated Engineers in charge of field projects, provided that the fiscal limitations shall not exceed \$100.

2. Change orders and extra work orders: With respect to any contract (including a contract approved by the Director. Bureau of Mines or the Regional Director, Region II), and subject to the above fiscal limitations, the following officials of Bureau of Mines Region II may, in accordance with subparagraph 205.2.4A(2), issue change orders and extra work orders pursuant to the contract, enter into any modifications and amendments to the contract, and terminate the contract if such an action is legally authorized:

Chief, Division of Administration, Region II.

Chief, Division of Mineral Resources, Region II.

Chief, San Francisco Petroleum Research Laboratory, Region II.

Research Director, Reno Metallurgy Re-

search Center, Region II.
Chief, Reno Office of Mining Research, Re-

gion II.

Procurement and Property Management
Officer, Region II.

3. Further redelegation: The authority contained in this order may, with the approval of the Regional Director, Region II, be redelegated by a written order, which shall be published in the Federal Register.

4. Revocation: This order revokes Regional Administrative Order 6 in its entirety.

R. B. Maurer, Regional Director, Region II.

MARCH 31, 1960.

[F.R. Doc. 60-3728; Filed, Apr. 25, 1960; 8:46 a.m.]

### DEPARTMENT OF COMMERCE

**Federal Maritime Board** 

#### COMMON CARRIERS BY WATER

### Contracts, Agreements and Understandings

On April 11, 1960, the Federal Maritime Board entered the following section 21 order:

By virtue of the authority vested in it by section 21 of the Shipping Act, 1916 (46 U.S.C. 820), the Federal Maritime Board hereby orders every common carrier by water subject to said Act, including but without limitation, those named in Appendix A<sup>1</sup> hereto and made part hereof, to file with it on or before July 15, 1960, the following:

1. A list identifying every contract, agreement or understanding, involving the water-borne commerce of the United States, which it has entered into with any other common carrier by water and/or common carriers by water, and/or with any freight forwarder, terminal operator, stevedore, or ship's agent which was in effect as of January 1, 1960, which relates or pertains to:

(a) The fixing or regulating of rates, fares, charges or practices for the loading, unloading, handling, transporting, storing, or delivering of property or passengers;

(b) The giving or receiving of special rates, fares, accommodations, or other special privileges or advantages:

(c) The controlling, regulating, preventing or destroying of competition: (d) The pooling or apportioning of earnings, losses or traffic or the joint use of equipment or facilities;

(e) The allotting of ports or the restricting or otherwise regulating of the number and character of sailings between ports:

(f) The limiting of, or regulating of, in any way, the volume or character of freight or passenger traffic to be carried or to be received, handled, stored or delivered:

(g) The providing for, in any manner, of an exclusive, preferential, or cooperative working arrangement.

Documents filed for approval under section 15 of said Act (46 U.S.C. 814) may be identified by citation of the Federal Maritime Board number assigned thereto, and documents filed in the past year in response to another order issued pursuant to said section 21 may be identified by stating the dates of such order and response; as to others, specify the effective date and the parties.

2. A copy of every contract, agreement, or understanding identified on said list, which has not been filed for approval under said section 15, and has not been filed with the Board in the past year in response to an order issued pursuant to said section 21. If any such contract, agreement, or understanding is oral, it shall be set forth in a memorandum in sufficient detail to represent a true and complete record of the contract, agreement, or understanding.

tract, agreement, or understanding.
3. A statement, under oath, by a duly authorized officer of the carrier, that the records submitted in response to items 1 and 2 above are true and complete records of all contracts, agreements and understandings of the character or nature required to be filed by this Order, to which such carrier was a party as of January 1, 1960.

Dated: April 21, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER, Secretary.

[F.R. Doc. 60-3738; Filed, Apr. 25, 1960; 8:47 a.m.]

### FEDERAL AVIATION AGENCY

REQUEST FOR FUNDS FOR DEVELOP-MENT OF POTTSTOWN MUNICIPAL AIRPORT

#### **Notice of Public Hearing**

Notice is hereby given pursuant to section 9(e) of the Federal Airport Act (49 U.S.C. 1108), and in accordance with § 550.10 of the regulations of the Administrator of the Federal Aviation Agency as amended, that the Federal Aviation Agency will hold a public hearing for the purposes hereinafter set forth.

The Borough of Pottstown, Pennsylvania, has requested funds under the Federal Airport Act (49 U.S.C. 1101) for the further development of the Pottstown Municipal Airport. A public hearing will be held on May 17, 1960, at 10 a.m. in the Public Utility Commission Hearing Room No. 3, North Office Build-

ing, State Capital, Harrisburg, Pennsylvania, for the purpose of assisting the Administrator in ascertaining facts relevant to the location of the Pottstown Municipal Airport.

Mr. Horace P. Luckett, Airports Division, Bureau of Facilities and Materiel, Federal Aviation Agency, Washington 25, D.C., and Mr. Alvin L. Swank, Airport Engineer, Airports Branch, Facilities and Materiel Field Division, Kansas City, Missouri, are hereby designated as presiding officers pursuant to § 550.10 of the regulations of the Administrator of the Federal Aviation Agency as amended.

Any person having a substantial interest in the matter and desiring to appear and testify at the hearing shall notify the Administrator, in writing, on or before May 12, 1960. Such notice shall state the interest of such person in the location of the Pottstown Municipal Airport and the approximate amount of time needed to present testimony. In addition, interested persons may also submit written data, views or arguments, in lieu of, or in addition to, matter presented orally at the hearing. All such notices and all written material should be addressed to:

Mr. Horace P. Luckett, Airports Division, Bureau of Facilities and Materiel, Federal Aviation Agency, Washington 25, D.C.

Issued in Washington, D.C., on April 22, 1960.

JOSEPH H. TIPPETS,

Director,

Bureau of Facilities and Materiel.

[F.R. Doc. 60-3770; Filed, Apr. 25, 1960; 8:50 a.m.]

### FEDERAL POWER COMMISSION

[Docket Nos. RI60-253-RI60-262]

#### SKELLY OIL CO. ET AL.

#### Order Providing for Hearing on and Suspension of Proposed Changes in Rates <sup>1</sup>

APRIL 19, 1960.

Skelly Oil Company, Docket No. RI60-253; Pan American Petroleum Corporation, Docket No. RI60-254; Sohio Petroleum Company, Docket No. RI60-255; Jal Oil Company, Inc. (Operator), et al., Docket No. RI60-256; Phillips Petroleum Company, Docket No. RI60-257; MacDonald Oil Corporation (Operator), et al., Docket No. RI60-258; The Ohio Oil Company (Operator), et al., Docket No. RI60-259; The Ohio Oil Company, Docket No. RI60-260; Weier Drilling Company (Operator), et al., Docket No. RI60-261; Humble Oil & Refining Company, Docket No. RI60-262.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. In each filing the natural gas is sold at 14.65 psia. The proposed changes are designated as follows:

<sup>&</sup>lt;sup>1</sup> Filed as part of original document.

<sup>&</sup>lt;sup>1</sup>This order does not provide for the consolidation for hearing or disposition of the several matters covered herein, nor should it be so construed.

**NOTICES** 3602

		Rate	Supple-		Notice of		Effective date	Date	Cents 1	per Mef	Rate in effect
Docket No.	Respondent	sched- ule No.	ment No.	Purchaser and producing area	change dated—	Date tendered	unless sus- pended	sus- pended until-	Rate in effect	Proposed increased rate	subject to .
R160-253	Skelly Oil Co	1	6	Lone Star Gas Co. (Velma Gas. Plt., Stephens County, Okla.).	3-18-60	3-21-60	1 4-21-60	9-21-60	11.0	16. 8	
R160-254	Pan American Petroleum Corp.	212	4	Panhandle Eastern Pipe Line Corp. (Kismet Field, Seward County.	3-16-60	3-21-60	<sup>3</sup> 4-21-60	9-21-60	<b>*</b> 15. 0	16.0	
RI60-254	do	196	3	Kans.). Panhandie Eastern Pipe Line Corp. (Greenwood Field, Morton County,	3-16-60	3-21-60	<b>2</b> 4-21-60	9-21-60	3 15. 0	16.0	
R160-255	Sohio Petroleum Co	37	6	Kans.). Natural Gas Pipeline Co. of America (Camrick Southeast Field, Beaver	Undated	3-21-60	1 5-10-60	10-10-60	16. <b>4</b>	16. 8	G-15399
RI60-256	Jal Oil Company, Inc., (Operator), et al.	4	. 9	and Texas Counties, Okla.). El Paso Natural Gas Co. (Langlie- Mattix and Jalmat Flelds, Lea	3-17-60	*3-21-60	<sup>2</sup> 4-21-60	9-21-60	10. 5	15. 50174	G-14089
RI60-256	do	6	12	County, N. Mex.).  El Paso Natural Gas Co. (South Eunice, Langlie-Mattix and Jalmat	Undated	3-22-60	2 4-22-60	9-22-60	4 10. 5	15. 50174	G-14089
RI60-257	Phillips Petroleum Co	22	7	Fields, Lea County, N. Mex.). Mississippi River Fuel Corp. (Wood- lawn Field, Harrison County, Tex.).	3-18-60	3-21-60	² 4-21-60	9-21-60	14. 1344	14. 6392	G-12283
R160-258	MacDonald Oil Corp., (Operator), et al.	1	6	El Paso Natural Gas Co. (Spraberry Field, Reagan County, Tex.).	Undated	3-22-60	<sup>2</sup> 4-22-60	9-22-60	11.0	17. 0	
RI60-259	The Ohio Oil Co. (Operator), et al.	5	δ.	El Paso Natural Gas Co. (Blinebry- Tubb Field, Lea County, N. Mex.).	3-17-60	3-21-60	<sup>2</sup> 4-21-60	9-21-60	10. 5	15. 5	
RI60-260		. 6	3	El Paso Natural Gas Co. (Jalmat	3-17-60	3-21-60	\$ 4-21-60	9-21-60	10. 5	15. 5	
RI60-260	do	7	3	Field, Lea County, N. Mex.). El Paso Natural Gas Co. (Denton	3-17-60	3-21-60	2 4-21-60	9-21-60	11.0	17.0	G-14010
RI60-260	do	27	.4	Gas. Plt., Lea County, N. Mex.). El Paso Natural Gas Co. (Eumont	3-17-60	3-21-60	² 4-21-60	9-21-60	10.5	15. 5	
RI60-261	Weier Drilling Co. (Operator), et al.	1	4	Field, Lea County, N. Mex.). El Paso Natural Gas Co. (Jalmat	3-21-60	3-24-60	<sup>2</sup> 4-24-60	9-24-60	10.5	<sup>4</sup> 15. 5	
RI60-262	Humble Oil & Refining	175	2	Field, Lea County, N. Mex.). Lone Star Gas Co. (Dillard Gas. Plt., Carter County, Okla.).	3-18-60	3-24-60	1 4-24-60	9-24-60	11.0	16. 8	
RI60-262	do	219	4	Lone Star Gas Co. (Garvin County, Okla.).	3-18-60	3-24-60	1 4-24-60	9-24-60	11.0	16.8	

 The stated effective date is the effective date proposed by respondent.
 The stated effective date is the first day after expiration of the required thirty days' notice.

Subject to Btu adjustment.
 Subject to 0.4467 cents per Mcf charge for low pressure gas deducted by buyer.

In support of their proposed favorednation rate increases. Skelly Oil Company (Skelly) and Humble Oil & Refining Company (Humble) cite the favorednation clauses of their contracts and state that such clauses were activated by a 16.8 cents per Mcf rate paid by The Lone Star Gas Company (Lone Star) for gas produced from the Knox Field, Grady and Stephens Counties, Oklahoma. Humble states that the Commission has certificated 17 cents per Mcf rates for similar gas sold to Transwestern Pipeline Company from the Panhandle areas of Oklahoma and Texas; has approved a 17 cents per Mcf rate for gas sold to Michigan-Wisconsin Pipe Line Company by various producers in Beaver and Harper Counties, Oklahoma: and has approved 16.8 cents per Mcf rates for the gas sales in the Deep Knox Pool, Grady and Stephens Counties, Oklahoma. Skelly states that the increased rate is provided by a contract negotiated at arm's length; that 50 percent of the residue gas from the Velma Plant is sold to Oklahoma Natural Gas Company and the latter increased the price payable to Skelly effective December 17, 1958; that the gas reserves connected to the Velma Plant are estimated at 434,000 MMcf compared to 255,769 MMcf for the triggering Knox Field sales; and that the gas made available to Lone Star from the Velma Plant is purchased by Skelly from 806 oil wells and 25 gas wells in an area 15 miles long and 1 to 4 miles wide, thus relieving Lone Star of the necessity to contract for and gather gas separately from each well.

Skelly also includes in its notice of change an offer of settlement. The offer provides that if the Commission accepts the 16.8 cents per Mcf rate without suspension, Skelly would agree to (a) delete from its contract the favored-nation pricing clause; (b) extend the term of the contract for a period of twenty years from January 1, 1960; and (c) commit to the contract one-half of all additional supplies of gas hereafter obtained by Skelly for processing at the Velma Plant. A proposed amendment accomplishing the foregoing is submitted with the rate change. Skelly submits no cost data showing that the proposed rate is in the zone of reasonableness. It is believed a settlement rate of 16.8 cents per Mcf should not be considered without adequate cost information to indicate that it is in the zone of being just and rea-

Jal Oil Company, Inc., (Operator), et al., (Jal), MacDonald Oil Corporation (Operator), et al., (MacDonald), and The Ohio Oil Company (Ohio Oil) each states that in consideration of the increased rate it agreed to eliminate the favored-nation clause from the contract. Additionally, Jal mentions arm's-length bargaining and states that exploration and development costs have been increasing. MacDonald and Ohio Oil further state that the proposed rates do not exceed the going rate for gas in the area.

Pan American Petroleum Corporation (Pan American), in support of its two redetermined rate increases, states that the proposed rates are a matter of contractual obligation under contracts negotiated at arm's length, that such rates are an integral part of the initial rate filings, that gas is underpriced in comparison to competing fuels, and that costs have substantially increased in recent years. Pan American also lists recently negotiated contracts in the area providing for initial prices exceeding 16.0 cents per Mcf.

In support of its proposed two-step periodic rate increase, Sohio Petroleum Company states that the increased rate is provided by contract negotiated at arm's length and that it does not exceed the current commodity value of the gas.

Phillips Petroleum Company states in support of its proposed periodic rate increase that the contract of sale was negotiated at arm's length, that the proposed rate is in line with the current market value of gas in the area, and that the small additional revenues resulting from the increased rate will have no significant effect upon the price to the ultimate consumer served by the Mississippi River Fuel Corporation.

The proposed rate changes may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

(2) Acceptance of the Offer of Settlement by Skelly Oil Company is neither in the public interest nor appropriate in carrying out the provisions of the Natural Gas Act.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure and the regulations under the Natural Gas Act (18 CFR Ch. I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed changes in rates and charges contained in the above-designated supplements.

(B) Pending hearings and decisions thereon, each of the above-designated supplements are hereby suspended and the use thereof deferred until the date indicated in the above "Date Suspended Until" column, and thereafter until such further time as they are made effective

in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before June 3, 1960.

(E) The Offer of Settlement filed with the Commission by Skelly on March 21. 1960, is hereby rejected.

By the Commission.

JOSEPH H. GUTRIDE, Secretary.

[F.R. Doc. 60-3724; Filed, Apr. 25, 1960; 8:46 a.m.1

[Docket Nos. RI60-263-RI60-267]

#### WESTERN NATURAL GAS CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates 1

APRIL 19, 1960.

Western Natural Gas Company, et al., Docket No. RI60-263; Republic Natural Gas Company, et al., Docket No. RI60-264; The Superior Oil Company, Docket No. RI60-265: Standard Oil Company of Texas, Docket No. RI60-266; Claud B. Hamill, Docket No. RI60-267.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas to Tennessee Gas Transmission Company (Tennessee) subject to the jurisdiction of the Commission. In each filing the natural gas is sold at 14.65 psia. The proposed changes are as follows:

dent sched- ule No.	ment No.	Purchaser and producing area	change			Date sus- pended until—	Cents per Mcf		Rate in
		Purchaser and producing area	change dated—	Date tendered	unless sus- pended		Rate in effect	Proposed increased rate	subject to refund in docket Nos.
ral Gas Co., 2	3	Salvador Field, Hidalgo County,	Undated	3-23-60	1 4-23-60	9-23-60	14, 87589	17. 02416	G-19828
tural Gas 25	2	Tennsesee Gas Transmission Co. (See-	3-24-60	3-28-60	1 4-28-60	9-28-60	15. 0952	17, 24347	♣ G-19325
oil Co 2	6	Tennessee Gas Transmission Co. (Portilla Field, San Patricio Coun-	3-25-60	3-28-60	1 4-28. 60	9-28-60	15. 0952	17. 24347	4 G-19610
o. of Texas. 1	6	Tennessee Gas Transmission Co. (Alta Mesa, Scott, and Hopper	Undated	3-28-60	1 4-28-60	9-28-60	15. 0952	17. 24347	● G-19895
ill6	2	Tennessee Gas Transmission Co. (Arkansas City Field, Starr County, Tex.).	3-25-60	3-28-60	<b>*</b> 4-28-60	9-28-60	15. 095 <b>2</b>	17. 24347	G-19428
	ntural Gas 25 Dil Co 2 Co. of Texas. 1	ntural Gas 25 2 Dil Co 2 6 Co. of Texas. 1 6	Salvador Field, Hidalgo County, Tex.).  Salvador Field, Hidalgo County, Tex.).  Tennessee Gas Transmission Co. (Seeligson Field, Jim Wells County, Tex.).  Tennessee Gas Transmission Co. (Portilla Field, San Patricio County, Tex.).  Tennessee Gas Transmission Co. (Alta Mesa, Scott, and Hopper Fields, Brooks County, Tex.).  Tennessee Gas Transmission Co. (Arkansas City Field, Starr County, Tex.).	atural Gas 25 2 Salvador Field, Hidalgo County, Tex.). Tennessee Gas Transmission Co. (Seeligson Field, Jim Wells County, Tex.). Co. of Texas. 1 6 Tennessee Gas Transmission Co. (Portilla Field, San Patricio County, Tex.). Tennessee Gas Transmission Co. (Alta Mesa, Scott, and Hopper Fields, Brooks County, Tex.). Tennessee Gas Transmission Co. (Arkansas City Field, Starr County).	Salvador Field, Hidalgo County, Tex.).  Salvador Field, Hidalgo County, Tex.).  Tennessee Gas Transmission Co. (Seeligson Field, Jim Wells County, Tex.).  Co. of Texas.  1 6 Tennessee Gas Transmission Co. (Portilla Field, San Patricio County, Tex.).  Tennessee Gas Transmission Co. Undated (Alta Mesa, Scott, and Hopper Fields, Brooks County, Tex.).  2 Tennessee Gas Transmission Co. (Arkansas City Field, Starr County).	Salvador Field, Hidalgo County, Tex.)   Salvador Field, Hidalgo County, Tex.)   Texnscsee Gas Transmission Co. (Seeligson Field, Jim Wells County, Tex.)   See Gas Transmission Co. (Portilla Field, San Patricio County, Tex.)   See Gas Transmission Co. (Portilla Field, San Patricio County, Tex.)   See Gas Transmission Co. (Indated Calla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Arkansas City Field, Start County, Tex.)   See Gas Transmission Co. (See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (See Gas Transmission Co. (See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Hopper Fields, Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Brooks County, Tex.)   See Gas Transmission Co. (Portilla Mesa, Scott, and Br	Salvador Field, Hidalgo County, Tex.).   Salvador Field, Hidalgo County, Tex.)   Texnsussee Gas Transmission Co. (Secligson Field, Jim Wells County, Tex.).   3-24-60   3-28-60   14-28-60   9-28-60	Salvador Field, Hidalgo County, Tex.).  3-24-60 3-28-60 14-28-60 9-28-60 15.0952 15.0952  Identify, Tex.).  Tennessee Gas Transmission Co. Undated 3-28-60 14-28-60 9-28-60 15.0952 (Alta Mesa, Scott, and Hopper Fields, Brooks County, Tex.).  Tennessee Gas Transmission Co. (Arkansas City Field, Starr County).	Salvador Field, Hidalgo County, Tex.).  3-24-60 3-28-60 14-28-60 9-28-60 15.0952 17.24347 14-28-60 15.0952 17.24347 15.0952 17.24

The stated effective date is the effective date proposed by respondent.

The stated effective date is the first day after expiration of the required 30 days'

In support of their proposed favorednation rate increases, Respondents cite the favored-nation provision of their respective contract and each submits a letter dated March 10, 1960, wherein Tennessee agrees to pay the increased rate pursuant to the favored-nation provision of the contract.

In addition to the above, Respondents state as follows: Western Natural Gas Company, et al. (Western) states that the increase is provided by a contract negotiated at arm's length, that the proposed rate is just and reasonable and is below the current market price for gas in the area, and that the proposed increase is supported by Western's systemwide cost of service exhibit in Docket No. G-9281, In the Matter of Western Natural Gas Company, in which the Commission's order of January 29, 1960, dismissing such proceeding stated, in part, that "\* \* \* dismissal is not a determination that" \* \* \* the present existing rates should be continued in effect \* \* \*".2 Republic Natural Gas Company, et al., states that it would cost many times the amount involved in the proposed increase to prepare cost data to support such increase. The Superior

and reasonable and will not exceed the area price for gas sold to Tennessee. Standard Oil Company of Texas states the contract was negotiated at arm's length, that the increased rate is fair and reasonable and that it would be discriminatory not to permit it to collect such increased rate without suspension. Claud B. Hamill states that costs associated with gas production have been increasing and the proposed rate will be comparable to other prices in the area.

The increased rates and charges so proposed may be unjust, unreasonable, unduly discriminatory, or preferential,

or otherwise unlawful.

The Commissions finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the abovedesignated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the law-

Oil Company states that the rate is just fulness of the several proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearings and decisions thereon, each of the above-designated supplements are hereby suspended and the use thereof deferred until the date indicated in the above "Date Suspended Until" column, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before June 3, 1960.

By the Commission.

JOSEPH H. GUTRIDE. Secretary.

[F.R. Doc. 60-3725; Filed, Apr. 25, 1960; 8:46 a.m.l

On March 28, 1960, respondent filed motion to place the suspended rate in effect.
 On March 15, 1960, respondent filed motion to place the suspended rate in effect.
 On March 28, 1960, respondent filed motion to place the suspended rate in effect.

<sup>&</sup>lt;sup>2</sup> Dismissal of this proceeding was predicated on staff counsel's motion to dismiss due to the fact that Western's jurisdictional revenues for the test year appeared to compare favorably with its total cost of service.

<sup>1</sup> This order does not provide for the consolidation for hearing or disposition of the several matters covered herein, nor should it be so construed.

### **SECURITIES AND EXCHANGE** COMMISSION

[File No. 70-3878]

GULF POWER CO.

Notice of Proposed Issuance of First [F.R. Doc. 60-3730; Filed, Apr. 25, 1960; Mortgage Bonds

APRIL 19, 1960.

Notice is hereby given that Gulf Power Company ("Gulf"), a publicutility subsidiary of The Southern Company, a registered holding company has filed with this Commission a declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a) and 7 of the Act and Rule 50(a) (5) promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to the declaration on file at the office of the Commission for a statement of the transactions therein proposed, which are summarized as follows:

Gulf proposes to issue \$431,000 principal amount of its First Mortgage Bonds, 31/4 percent Series due 1984, and to surrender on or prior to June 1, 1960, all such bonds to the Trustee under the Indenture dated as of September 1, 1941 between the Company and The Chase Manhattan Bank and The Citizens & Peoples National Bank of Pensacola, as Trustees, as amended and supplemented, in accordance with the sinking fund provisions.

The sinking fund bonds are to be of the same series as and identical with those authorized by the Commission on June 14, 1954 (File No. 70-3252) and are to be issued on the basis of unfunded net property additions thus making available for construction and other purposes cash which would otherwise have to be used to satisfy the sinking fund requirement or to purchase bonds to be used for such purpose.

The fees and expenses incident to the proposed issuance of bonds are estimated at \$900.

The proposed issuance is subject to the jurisdiction of The Florida Railroad and Public Utilities Commission. It is represented that no other State commission and no Federal commission, other than this Commission has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than May 9, 1960 at 5:30 p.m. request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert: or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25. D.C. At any time after said date the declaration, as filed or as it may be hereafter amended, may be permitted to become effective as provided in Rule 23 of the rules and regulations promulgated under the Act; or the Commission

may exempt such transactions as provided in Rules 20(a) and 100 thereof, or take such other action as it may deem appropriate under the circumstances.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

8:46 a.m.]

[File No. 70-3877]

#### MILWAUKEE GAS LIGHT CO. AND AMERICAN NATURAL GAS CO.

Notice of Proposed Issuance and Sale of First Mortgage Bonds, Increase in Authorized Capital Stock, and Sale of Shares of Common Stock to Parent |

APRIL 19, 1960.

Notice is hereby given that American Natural Gas Company ("American Natural"), a registered holding company, and Milwaukee Gas Light Company ("Milwaukee"), one of its public-utility subsidiaries, have filed a joint application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(b), 9, 10, and 12(f) of the Act and Rules 43 and 50 promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to said application-declaration on file in the offices of the Commission for a statement of the proposed transactions which are summarized as follows:

Milwaukee proposes to issue and sell, pursuant to the competitive bidding requirements of Rule 50, \$22,000,000 principal amount of First Mortgage Bonds, . Percent Series to be dated May 15, 1960, and to mature May 15, 1985. The new bonds are to be issued under a Mortgage and Deed of Trust dated November 1. 1950 as heretofore supplemented and as to be further supplemented by a Supplemental Indenture to be dated May 15, 1960. The interest rate (which shall be a multiple of 1/8 of 1 percent) and the price (which shall be not less than 100 percent nor more than 10234 percent of the principal amount thereof) will be determined by the competitive bidding. Approximately \$15,000,000 of the proceeds from the sale of the bonds will be withdrawn promptly by the certification of unbonded net property additions, and the balance will be similarly withdrawn from time to time as additional unbonded net property additions become available.

Milwaukee proposes to amend its Articles of Incorporation to increase the number of authorized shares from 2,900,000 to 3,200,000 shares. Milwaukee further proposes to sell, and American Natural proposes to acquire 333,334 shares of Milwaukee's common stock, par value \$12 per share, for a cash consideration of \$4,000,008.

The proceeds from the above transactions will be used to pay \$11,115,000 of short-term notes to banks due June 1. 1960 and provide funds for construction expenditures during 1960 and early 1961.

The expenses to be incurred by Milwaukee in connection with the issuance

of the new bonds are estimated at \$116,966, including Federal stamp tax, \$24,200; Public Service Commission of Wisconsin fee, \$22,000; counsel fees, \$19,500 (Sidley, Austin, Burgess & Smith, \$14,000; Foley, Sammond and Lardner, \$5,500); independent accountants' fee, \$5,000; trustee's fees and expenses, \$11,000; printing, \$25,000; and miscellaneous expenses, \$8,000. The expenses in connection with the issuance of the common stock is estimated at \$9,000 including Federal stamp tax, \$4,000; and Public Service Commission of Wisconsin fee, \$4,000. The fee of Brown, Wood, Fuller, Caldwell & Ivey, counsel for the underwriters, estimated at \$9,000, is to be paid by the successful bidder.

application-declaration ioint The states that the Public Service Commission of Wisconsin has jurisdiction over the proposed transactions and that no other State commission, and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than May 5. 1960, at 5:30 p.m., request in writing that a hearing be held on the matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said joint application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the joint application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the rules and regulations promulgated under the Act. or the Commission may grant exemption from its rules as provided in Rules 20(a) and 100, or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F.R. Doc. 60-3731; Filed, Apr. 25, 1960; 8:46 a.m.]

[File No. 70-3880]

PUBLIC SERVICE COMPANY OF OKLAHOMA AND CENTRAL AND SOUTH WEST CORP.

Notice of Filing of Application Regarding Proposal by Subsidiary To Issue and Sell Additional Shares of **Common Stock to Holding Company** 

APRIL 19, 1960.

Notice is hereby given that Central and South West Corporation ("Central"). a registered holding company, and its public-utility subsidiary, Public Service Company of Oklahoma ("Public Service"), have filed, pursuant to the Public Utility Holding Company Act of 1935 ("Act"), a joint application-declaration regarding a proposal by Public Service to issue and sell, and of Central to acquire, additional shares of the common stock of Public Service. Sections 6, 9, 10 and 12(f) of the Act, and Rules 43, 50 and 100 thereunder are designated as applicable to the proposed transactions.

All interested persons are referred to the application-declaration for a statement of the transactions therein proposed, which are summarized as follows:

Public Service proposes to issue and sell, and Central (the owner of all of Public Service's outstanding common stock) proposes to acquire 650,000 additional shares of the authorized but unissued \$10 par value shares of common stock of Public Service for an aggregate cash consideration of \$6,500,000. Central will acquire 450,000 of such additional shares with the proceeds of a cash dividend of \$4,500,000 to be declared and paid by Public Service on the shares of its stock now held by Central. The proceeds received by Public Service from the sale of the remaining 200,000 additional shares of its stock will be applied to pay, or to reimburse the company for the payment of, a part of the costs of additions to, or extension and improvement of, its electric utility properties.

The applicants-declarants state that the Corporation Commission of the State of Oklahoma has jurisdiction over the proposed issue and sale of common stock by Public Service, and that an appropriate order of that Commission will be supplied by amendment to the joint application-declaration. It is further stated that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions. It is represented that Central will incur no fees or expenses in connection with the proposed transactions other than miscellaneous expenses estimated at \$200. The fees and expenses to be incurred by Public Service are estimated at \$7,400, consisting of \$6,500 original issue stamp tax, \$500 legal fees, and \$400 of miscellaneous expenditures.

Notice is further given that any interested person may, not later than May 5, 1960, request in writing that a hearing be held in respect of the application-declaration, stating the reasons for the request, the nature of his interest, and the issues of fact or law he desires to controvert; or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the Commission may grant and permit to become effective the applicationdeclaration as filed, or as it may be amended, as provided in Rule 23 under the Act, or the Commission may grant exemption from its rules, as provided in Rules 20(a) and 100 thereof, or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS, Secretary.

[F.R. Doc. 60-3732; Filed, Apr. 25, 1960; 8:47 a.m.]

No. 81----6

[File No. 70-3816]

## SAXTON NUCLEAR EXPERIMENTAL CORP. ET AL.

#### Intrasystem Transactions

APRIL 19, 1960.

Notice is hereby given that Saxton Nuclear Experimental Corporation ("Saxton"), a common subsidiary of Jersey Central Power & Light Company ("Jersey Central"), Metropolitan Edison Company ("Meted"), New Jersey Power & Light Company ("New Jersey"), and Pennsylvania Electric Company ("Penelec"), all public utility subsidiaries of General Public Utilities Corporation ("GPU"), a registered holding company, have filed a joint application-declaration and amendments thereto, pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 2(a) (3) and (19), 6(a), 7, 9(a), 10, 12 (b) and (f), and 13 of the Act and Rules 7(b), 43, 45, and 100 thereunder as applicable to the proposed transactions which are summarized as follows:

Saxton, a non-profit stock corporation, was organized on May 4, 1959, under the non-profit corporation laws of Pennsylvania for the purpose of serving as an agency or instrumentality through which its members may seek to contribute to the art of generating electric energy by nuclear means, by conducting a research and experimental program involving the construction, operation and maintenance of a small experimental (5,000 Kw electrical) pressurized watertype nuclear reactor to be located at Saxton, Pennsylvania. Saxton's Articles of Incorporation limit its corporate existence to ten years; prohibit it from deriving a profit from operations and from engaging "in any fashion" in the rendition of services as a public-utility company; and provide for three classes of members, i.e., (1) original members (the incorporators), (2) shareholder members who hold the Saxton stock, and (3) participating members (organizations, natural persons or governmental bodies), who may be admitted to membership on the basis of their interest in the project. Under its Articles of Incorporation, Saxton is authorized to dispose of the steam resulting from its operations, provided that any funds derived from such disposition are used solely to defray, in part, the cost of its research and experimental activities. Saxton's By-Laws provide, among other things, that upon the company's dissolution, any property remaining, after the discharge of all of its debts and liabilities, shall be disposed of, subject to applicable Atomic Energy Commission requirements, to a corporation organized and operated exclusively for educational or scientific purposes and not for profit and engaged in the research and development of the use of atomic energy for peaceful purposes, and which qualifies as an exempt organization under the Internal Revenue Code of 1954.

Saxton proposes to issue and sell its capital stock consisting of 20,000 shares of common stock, \$1.00 par value per share, to Penelec, Meted, New Jersey,

and Jersey Central (sometimes hereinafter collectively referred to as the "Utility Companies") at the par value thereof. Penelec and Meted are organized and operate as electric utility companies in Pennsylvania and will own 24 percent and 32 percent, respectively, of such stock while New Jersey and Jersey Central are organized and operate as electric utility companies in New Jersey and will own 11 percent and 33 percent, respectively, of such stock.

Saxton states that it should not be deemed an electric utility company by virtue of Rule 7(b) (1) under the Act and has filed several statements required by that Rule.

Pursuant to a research agreement, the Utility Companies propose to make, from time to time, cash payments to Saxton aggregating not in excess of \$8,500.-000, to be used in obtaining, operating, and maintaining the experimental reactor. It is stated that this estimated amount was reached after careful study of the various elements of expenses necessary to cover the 21/2 year period required for construction of the facilities and a 5-year period of operating the facilities. If the estimate should later prove to be low, or if additional payments should be needed to enable Saxton to carry on its operations, a supplemental filing will be made for that purpose. The net cost of this project to the holding company system, after income taxes at the current rates, have been estimated at \$3,960,778.

Penelec proposes to sell, and Saxton proposes to acquire, for \$1,000 approximately 2 acres of land adjacent to the Saxton Generating Station of Penelec which houses a 10,000 Kw electric turbogenerator presently used only for peak load and standby purposes. Steam produced by the proposed experimental reactor will be used by this generator in connection with the experiments.

Saxton requests an order that the research agreement between it and the Utility Companies and its operations be exempt from the requirements of section 13 of the Act and the rules promulgated thereunder pursuant to section 13(b) of the Act and Rule 100 promulgated under the Act.

The research project will be a cooperative effort involving Saxton, the Utility Companies, Westinghouse Electric Corporation ("Westinghouse"), Gilbert Associates, Inc., as architect-engineer, and others. Saxton and Westinghouse have entered into a contract under which Westinghouse will supply the reactor, nuclear fuel, and associated equipment for which Saxton promises to pay a fixed price of \$6.250,000 which is included in the \$8,500,000 of the estimated costs of Saxton. In connection with such contract, Westinghouse will, among other things, provide manpower in connection with the project's overall research and development and will retain certain rights therein.

The Pennsylvania Public Utility Commission and the Board of Public Utility Commissioners of the State of New Jersey, which have jurisdiction over certain

3606 NOTICES

of the proposed transactions with respect to the Utility Companies operating in their jurisdiction, have, by order, approved the same. It is further stated that, although the Atomic Energy Commission does not have jurisdiction with respect to the proposed transactions as such, it will be necessary for Saxton to obtain from that commission a construction permit and a license pursuant to section 104(b) of the Atomic Energy Act of 1954. Application for such permit and license has been filed with that commission and a copy thereof will be filed herein when received. According to the filing, no other State or Federal commission, other than this Commission, has jurisdiction with respect to the proposed transactions.

joint application-declaration The states that the fees, commissions, and expenses to be incurred in connection with the proposed transactions aggregate approximately \$30,950 and are principally for legal, engineering, and

accounting services.

Notice is further given that any interested person may, not later than May 10, 1960, request the Commission in writing that a hearing be held on such matters stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the said joint application-declaration, as amended, which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, said amended joint application-declaration. as filed or as it may be further amended. may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F.R. Doc. 60-3733; Filed, Apr. 25, 1960; 8:47 a.m.]

### DEPARTMENT OF LABOR

Wage and Hour Division LEARNER EMPLOYMENT **CERTIFICATES** 

#### Issuance to Various Industries

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 29 U.S.C. 201 et seq.), the regulations on employment of learners (29 CFR Part 522), and Administrative Order No. 524 (24 F.R. 9274) the firms listed in this notice have been issued special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the Act. The effective and expiration dates, occupations, wage rates, number or proportion of learners, learning periods, and the principal product manufactured by the employer for certificates issued under general learner regulations (§§ 522.1 to 522.11) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.20 to 522.24, as amended).

The following learner certificates were issued authorizing the employment of 10 percent of the total number of factory production workers for normal labor turnover purposes. The effective and expiration dates are indicated.

Cambria Dress Manufacturing Co., Inc., Walter and Johnson Streets, Nanty-Glo, Pa.; effective 4-7-60 to 4-6-61 (women's dresses)

Diane Company, D/B/A Clinton Garment Co., 1058 South Fourth Street, Clinton, Ind.; effective 4-5-60 to 4-4-61 (men's jackets).

Diane Company, Inc., d/b/a Clinton Gar-

ment Co., 1058 South Fourth Street, Clinton, Ind.; effective 4-5-60 to 4-4-61. Learners may not be engaged at special minimum wage rates in the production of separate skirts (women's dresses, blouses).

Lerner-Slone Clothing Corp., Forrest City, Ark.; effective 4-11-60 to 4-10-61 (men's and boys' dress slacks).

Mode O'Day Corp., Plant No. 3, 59 South 1st West, Logan, Utah; effective 4-24-60 to 4-23-61 (women's cotton and rayon house and street dresses).

Perry Manufacturing Co., Mount Airy, N.C.; effective 4-14-60 to 4-13-61 (ladies' blouses, slacks, shorts, brassieres).

Salant and Salant, Inc., South First Street, Union City, Tenn.; effective 4-13-60 to 4-12-61 (men's cotton work pants, boys' cotton

Selro Manufacturing Co., 113 Gay Street, 115 Race Street, Washington Street extended, Cambridge, Md.: effective 4-20-60 to 4-19-61 (women's sportswear).
S. R. Skinner, Inc., New Ellenton, S.C.; ef-

fective 4-7-60 to 4-6-61 (women's dresses).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Calico Lane Dress Co., Inc., 9 School Street, Jermyn, Pa.; effective 4-5-60 to 4-4-61; five learners (women's dresses).

Texas Dress Corp., Bowie, Tex.; effective 4-6-60 to 4-5-61; 10 learners. Learners may not be engaged at special minimum wage rates in the production of separate skirts (ladies' dresses and blouses).

Toccoa Garment Co., Inc., Big A Road, Toccoa, Ga.; effective 4-9-60 to 4-8-61; 10 learners (ladies' blouses).

Woods Manufacturing Co., 202 Garrison Avenue, Fort Smith, Ark.; effective 5-7-60 to 5-6-61; 10 learners (men's and boys'

The following learner certificates were issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Executive Service Co., Ann Street, Pickens, S.C.; effective 4-7-60 to 10-6-60; 20 learners (men's shirts)

Glen-Gould, Inc., Panama City, Fla.; effective 4-7-60 to 10-6-60; 50 learners (women's dresses)

Merrill Woolen Mills Garment Factory, 1500 West Main Street, Merrill, Wis.; effective 4-6-60 to 10-5-60; five learners (men's, ladies' and children's sportswear).

S. R. Skinner, Inc., New Ellenton, S. C.; effective 4-7-60 to 10-6-60; 20 learners (women's dresses).

Washington Garment Co., 900 East Fifth Street, Washington, N.C.; effective 4-7-60 to 10-6-60; 20 learner (children's dresses).

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.40 to 522.44, as amended).

Lenoir Hosiery Mills, Inc., Lenoir, N.C.; effective 4-7-60 to 4-6-61; 5 percent of the total number of factory production workers for normal labor turnover purposes (fullfashioned and seamless)

Newland Knitting Mills, Newland, N.C.; effective 4-10-60 to 10-9-60; 40 learners for plant expansion purposes (seamless).

Prim Hosiery Mills, Chester, Ill., effective 4-23-60 to 4-22-61; 5 percent of the total number of factory production workers for normal labor turnover purposes (full-fashioned, seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.11, amended, and 29 CFR 522.30 to 522.35, as amended).

Claxton Manufacturing Co., Inc., Claxton, Ga.; effective 4-4-60 to 4-3-61; 5 learners for normal labor turnover purposes (ladies' and children's underwear).

Huntley Knitting Mills, Inc., Old York Road, Charlotte, N.C.; effective 4-13-60 to 4-12-61; 5 percent of the total number of factory production workers for normal labor turnover purposes (ladies' knit sweaters; men's knit sport shirts).

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.11, as amended).

Magura Clothing Co., Republic, Pa.; effective 4-12-60 to 10-11-60; 50 learners for plant expansion purposes in the occupations of sewing machine operator and final presser, each for a learning period of 480 hours at the rates of at least 90 cents an hour for the first 280 hours and not less than 95 cents an hour for the remaining 200 hours (men's single pants and vests).

Palm Beach Co., Roanoke, Ala.; effective 4-10-60 to 10-9-60; 5 percent of the total number of factory production workers for normal labor turnover purposes in the occupations of sewing machine operator, final presser, hand sewer, and finishing operations involving hand sewing, each for a learning period of 480 hours at the rates of at least 90 cents an hour for the first 280 hours and not less than 95 cents an hour for the remaining 200 hours (boys' Palm Beach suits).

The following learner certificates were issued in Puerto Rico to the companies hereinafter named. The effective and expiration dates, learner rates, occupations, learning periods, and the number or proportion of learners authorized to be employed, are as indicated.

Angela Manufacturing Co., Inc., Guayama, P.R.; effective 4-1-60 to 3-31-61; 13 learners for normal labor turnover purposes in the occupations of: (1) sewing machine operators for a learning period of 480 hours at the rates of 60 cents an hour for the first 320 hours and 70 cents an hour for the remaining 160 hours; (2) final inspection of fully assembled garments for a learning period of 160 hours at the rate of 60 cents an hour (brassieres).

Angela Manufacturing Co., Inc., Guayama, P.R.; effective 4-1-60 to 9-30-60; 27 learners for plant expansion purposes in the occupations of: (1) sewing machine operators for a learning period of 480 hours at the rates of 60 cents an hour for the first 320 hours and 70 cents an hour for the remaining 160 hours; (2) final inspection of fully assembled garments for a learning period of 160 hours at the rate of 60 cents an hour (brassieres).

Juana Diaz Co., Inc., Cuatro Calles No. 75, Ponce, P.R.; effective 3-16-60 to 3-15-61; 10 learners for normal labor turnover purposes in the occupation of sewing machine operators for a learning period of 480 hours at the rates of 60 cents an hour for the first 320 hours and 70 cents an hour for the remaining 160 hours (brassleres).

Juana Diaz Co., Inc., Cuatro Calles No. 75, Ponce, P.R.; effective 3-16-60 to 9-15-60; 15 learners for plant expansion purposes in the occupation of sewing machine operators for a learning period of 480 hours at the rates of 60 cents an hour for the first 320 hours and 70 cents an hour for the remaining 160 hours (brassieres).

Essex, Inc., Hato Rey, P.R.; effective 3-7-60 to 9-6-60; 24 learners for plant expansion purposes in the occupation of sewing machine operators for a learning period of 480 hours at the rates of 58 cents an hour for the first 240 hours and 68 cents an hour for the remaining 240 hours (skirts and tops).

Euphonics Corp., Rio Piedras, P.R.; effective 3-7-60 to 9-6-60; 70 learners for plant expansion purposes in the occupations of rubber molding, stamping, assembly, inspection and testing, for a total learning period of 480 hours at the rates of 76 cents an hour for the first 240 hours and 86 cents an hour for the remaining 240 hours (phonograph pick-up cartridges).

International Molded Plastics of Puerto Rico, Inc., Santurce, P.R.; effective 3-28-60 to 3-27-61; 10 learners for normal labor turnover purposes in the occupations of: (1) preformers, molders, buffers, and sanders, each for a learning period of 200 hours at the rate of 75 cents an hour; (2) inspectors, for a learning period of 160 hours at the rate of 75 cents an hour (plastic dinnerware)

of 75 cents an hour (plastic dinnerware). Island Knitting Mills, Inc., San Lorenzo, P.R.; effective 3-17-60 to 3-16-61; 5 learners for normal labor turnover purposes in the occupations of: (1) loopers, knitters, and toppers, each for a learning period of 480 hours at the rates of 72 cents an hour for the first 240 hours and 84 cents an hour for the remaining 240 hours; (2) machine stitchers, for a learning period of 320 hours at the rates of 72 cents an hour for the first 160 hours and 84 cents an hour for the remaining 160 hours (men's sport shirts and ladies' sweaters).

Oxford, Inc., Hato Rey, P.R.; effective 3-7-60 to 9-6-60; 24 learners for plant expansion purposes in the occupation of sewing machine operators for a learning period of 480 hours at the rates of 57 cents an hour for the first 240 hours and 66 cents an hour for the remaining 240 hours (shorts and slacks).

Puerto Rico Industrial Manufacturing Corp., Manati, P.R.; effective 4-1-60 to 3-31-61; 10 learners for normal labor turnover purposes in the occupations of sewing machine operators, and final pressers, each for a learning period of 480 hours at the rates of 54 cents an hour for the first 240 hours and 63 cents an hour for the remaining 240 hours (work pants and shirts).

Puerto Rico Industrial Mfg. Corp., Manati, P.R.; effective 4-1-60 to 9-30-60; 40 learners for plant expansion purposes in the occupations of sewing machine operators, and final pressers, each for a learning period of 480

hours at the rates of 54 cents an hour for the first 240 hours and 63 cents an hour for the remaining 240 hours (men's work pants and shirts).

Rizotex, Inc., Cayey, P.R.; effective 3-21-60 to 3-20-61; 5 learners for normal labor turnover purposes in the occupations of winding and crimping, and twisting, each for a learning period of 240 hours at the rate of 56 cents an hour (yarn manufacturing).

Each learner certificate has been issued upon the representations of the employer which, among other things, were

that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in Part 528 of Title 29 of the Code of Federal Regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REG-ISTER, pursuant to the provisions of 29 CFR 522.9.

Signed at Washington, D.C. this 14th day of April 1960.

ROBERT G. GRONEWALD, Authorized Representative of the Administrator.

[F.R. Doc. 60-3729; Filed, Apr. 25, 1960; 8:46 a.m.]

# INTERSTATE COMMERCE COMMISSION

## FOURTH SECTION APPLICATIONS FOR RELIEF

APRIL 21, 1960.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

#### LONG-AND-SHORT HAUL

FSA No. 36176: Machinery—Salt Lake City, Utah to official territory. Filed by Western Trunk Line Committee, Agent (No. A-2126), for interested rail carriers. Rates on machinery and machines, and parts, in carloads, as described in the application from Salt Lake City, Utah, to points in official territory.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 147 to Western Trunk Line Committee, tariff I.C.C. A-4171.

FSA No. 36177: Liquid caustic soda—Wichita, Kans. to Rome, Ga. Filed by Western Trunk Line Committee, Agent (No. A-2127), for interested rail carriers. Rates on liquid caustic soda, in tank-car loads from Wichita, Kans., to Rome Ga.

Grounds for relief: Market competi-

Tariff: Supplement 147 to Western Trunk Line Committee tariff I:C.C. A-4171.

FSA No. 36178: Substituted service— FEC for Pan-Atlantic Steamship Corporation. Filed by Pan-Atlantic Steamship Corporation (No. 22), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars between Jacksonville and Miami, Fla., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Water competition. Tariffs: Supplement 2 to Pan-Atlantic Steamship Corporation tariff I.C.C. 286 and 3 other schedules described in the application.

FSA No. 36179: Iron and steel articles—Kansas City, Mo., to Baton Rouge and New Orleans, La. Filed by Western Trunk Line Committee, Agent (No. A-2122), for interested rail carriers. Rates on iron and steel articles, in carloads, as described in the application from Kansas City, Mo., to Baton Rouge and New Orleans, La.

Grounds for relief: Barge and market competition.

Tariff: Supplement 147 to Western Trunk Line Committee tariff I.C.C. A-4171.

#### AGGREGATE-OF-INTERMEDIATES

FSA No. 36175: Pulphoard—Virginia Points to Trunk Line Territory. Filed by Traffic Executive Association-Eastern Railroads, Agent (No. ER 2535), for interested rail carriers. Rates on pulphoard or fibreboard, in carloads, as described in the application from Hopewell, Richmond and West Point, Va., to specified points in Maryland, New Jersey, New York, and Pennsylvania.

Grounds for relief: Maintenance of proposed rates without requiring their use as factors in constructing combination rates lower than present through one-factor rates from or to points beyond the considered points.

Tariff: Supplement 7 to Trunk-Line-Central Territory Railroads tariff I.C.C. C-97.

By the Commission.

[SEAL]

HAROLD D. McCoy, Secretary.

[F.R. Doc. 60-3735; Filed, Apr. 25, 1960; 8:47 a.m.]

[Notice 302]

## MOTOR CARRIER TRANSFER PROCEEDINGS

APRIL 21, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62805. By order of April 19, 1960, the Transfer Board approved the transfer to Hugh F. McGoldrick, Inc., of Permit in No. MC 32699 Sub 13, issued June 2, 1952, to Hugh F. McGoldrick, Hyannis, Mass., authorizing the transportation of: Roofing and building materials, over irregular routes, between East Rutherford, N.J., on the one hand, and, on the other, points in Massachusetts, Connecticut, Vermont, New Hampshire and Rhode Island and from East Ruth-

erford, N.J., to points in Maine. Kenneth F. Kane, C.P.A., 41 Arlington Street, Brockton. Mass.

No. MC-FC 62888. By order of April 19, 1960, the Transfer Board approved the transfer to A. B. Distributors, Inc., Clifton, New Jersey, of portions of Permits in No. MC 59759 and MC 59759 Sub 12, issued December 29, 1959, and April 4, 1960, respectively, to Jones Trucking Co., a corporation, Linden, New Jersey, authorizing the transportation of: Potato chips, pretzels, salted nuts, and bakery goods from the site of the Food Fair Stores' baking plant and warehouse in Philadelphia, Pa., to points in New Jersey, New York and Connecticut and returned shipments of commodities specified above and containers used in the outbound transportation of said commodities, limiting the operations to a continuing contract, or contracts, with the Food Fair Stores, Inc., of Linden, N.J. Bert Collins, 140 Cedar Street, New York 6, N.Y., for applicants.

[SEAL] HAROLD D. McCoy,

Secretary.

[F.R. Doc. 60-3736; Filed, Apr. 25, 1960; 8:47 a.m.]

# ORGANIZATION OF DIVISIONS AND BOARDS AND ASSIGNMENT OF WORK

#### Miscellaneous Amendments

APRIL 20, 1960.

The Organization Minutes of the Interstate Commerce Commission relating to the organization of divisions and boards and assignment of work, business and functions of the Interstate Commerce Commission, pursuant to section 17 of the Interstate Commerce Act as amended (24 F.R. 2506, 24 F.R. 4070, 24 F.R. 5667, 24 F.R. 9230, 25 F.R. 96) have been further amended in the following particulars:

The section entitled Assignment of Duties to Division is amended in the following particulars:

- 1. In Item 4.2(1), immediately following "section 212(a)," interpolate "(including section 204(c) when pertinent thereto)," the item as thus amended reading as follows:
- (1) Section 212(a) (including section 204(c) when pertinent thereto), relating to suspension, change, and revocation of certificates, permits, and licenses, except determination of uncontested motor carrier revocation proceedings which have not involved the taking of testimony at a public hearing unless certified to the Division by the Temporary Authorities Board.
- 2. In Item 4.3(n), convert period into a comma and add: "except as otherwise assigned to the Temporary Authorities Board (Item 7.4(b)) and Division 1 (Item 4.2(1))," the item as thus amended reading as follows:
- (n) Section 204(c), section 304(e), and section 403(f), so far as relating to the investigation of complaints of alleged noncompliance with provisions of Parts II, III, and IV hereinbefore assigned to Division Two or requirements established

pursuant thereto, except as otherwise assigned to the Temporary Authorities Board (Item 7.4(b)) and Division 1 (Item 4.2(1)).

- 3. In Item 4.3(o), delete the concluding words "to individual Commissioners," the item as thus amended reading as follows:
- (o) Section 20 (1) to (10), inclusive; section 204(a) (1), (2) and (4); section 220 (a) to (f), inclusive; section 222 (b), (d), and (g); sections 313, 316(b), 317 (d), and (e); and sections 412, 417(b), and 421 (d) and (e), so far as those sections relate to accounting and statistical reports, records, and accounts of carriers, lessors, brokers, freight forwarders, and other persons under Parts I, II, III, and IV, and so far as matters

arising under the stated sections are not assigned.

- 4. Immediately following Item 7.4(a), interpolate new Item 7.4(b) reading as follows:
- (b) Entry of show-cause orders under sections 204(c) and 212(a) relating to the failure of motor carriers to file annual reports,

and reletter old Item 7.4 (b), (c), and (d) as 7.4 (e), (d) and (e), respectively.

- 5. The section entitled Bureaus and Offices of the Commission has been amended to read as follows:
- 9.1 The Bureaus and Offices of the Commission shall report as follows, except with respect to matters within the jurisdiction of the Managing Director:

В	sureaus or Offices of the Commission	Headed by-	Reports to the Commission or appropriate division through—
9.2	Office of the Managing Director  (a) Budget and fiscal (b) Personnel (c) Administrative services (d) Regional offices Office of the Secretary (a) Dockets	Managing Director	Chairman,
	(a) Budget and fiscal	Budget officer.	·
	(a) Administrative covides	Personnel director. Chief of section.	
	(d) Regional offices	Chief of section 13 regional managers. Secretary Chief of section. Chief of section.	`
9.3	Office of the Secretary	Secretary	Chairman.
	(a) Dockets (b) Mails and files	Chief of section.	
	(b) Mails and files	Chief of section.	
9.4	(c) Reference services Office of the General Counsel	Unici of section.	
9.5	A counte	General Counsel	Chairman. Commissioner Hutchinson.
0.0	Accounts  (a) Accounting (b) Cost finding (c) Valuation	Director Chief of section.	Commissioner Huteninson.
	(b) Cost finding	Chief of section.	
	(c) Valuation	Assistant director and acting chief of	
		section.	•
•	(d) Field service	Chief of field service.	
a a	(e) Field staff.	Dinastan	Commission on Bussels
9.0	(a) Convenience and necessity (and interlocking directorates)	Director Chief of section.	Commissioner Tuggle.
	(and interlocking directo-	Chief of Section.	
		• _	
	(b) Motor carrier finance	Assistant director and chief of section.	
	(c) Securities and reorganizations.	Chief of section.	
	(d) Loans (e) The transfer board	Chief of section,	
9.7	Inquiry and compliance	Chairman of the board.	Commissioner Walrath.
3.1	(a) Motor carrier enforcement	Director Assistant director and chief of section.	Commissioner warrain.
	(b) Rail, water, and forwarder en-	Assistant director and chief of section.	· ·
	Inquiry and compliance  (a) Motor carrier enforcement.  (b) Rail, water, and forwarder enforcement.		
	(c) Field staff.		
	(d) Investigations	Chief of section.	
9.8	Motor Carriers	Director	Commissioner Murphy.
	(a) Administration	Chief of section	
	(c) Motor carrier safety	Chief of section. Chief of section.	
	(d) Field staff	Assistant director.	
	(d) Investigations Motor Carriers (a) Administration (b) Insurance (c) Motor carrier safety (d) Field staff (e) 13 districts Operating Rights (a) Hearings	Assistant director. District directors, Director. Chief of section. Chief of section.	
9.9	Operating Rights	Director	Commissioner Goff.
	(a) Hearings (b) Appeals (c) Proceedings	Chief of section.	
	(c) Proceedings	Chief of section	
	(d) Certificates and captions	Chief of section.	
	(e) Temporary authorities board	Chairman of board.	
9.10	(d) Certificates and captions (e) Temporary authorities board Rates and Practices	Director Chief of section,	Commissioner Webb.
	(b) Figuring examiner stair.	Chief of section.	_
	(d) Final Reports No. 2	Chief of section.	•
	(e) Review	Chief of section.	* - * * * * * * * * * * * * * * * * * *
	(a) Avaining examiner staff. (c) Final Reports No. 1. (d) Final Reports No. 2. (e) Review. (f) Appeals. Safety and Service.	Chief of section. Chief of section.	_
9.11	Safety and Service	Director Assistant director and chief of section.	Commissioner Hutchinson.1
*	(a) Car service	Assistant director and chief of section.	
	(b) Locomotive inspection	Assistant director, chief of section, and director of locomotive inspection.	
	(c) Railroad safety	Assistant director and chief of section.	,
	(c) Railroad safety(d) Explosives branch	Chief of branch.	l .
	(e) Field staff.		
9.12	Traffic	Director	Commissioner Freas.
	(a) Suspension board (b) Fourth section board	Chairman of board and chief of section.	
	(a) Potes and informal asses	Chairman of board.	•
	(c) Rates and informal cases	Assistant director and chief of section.  Assistant director and chief of section.	
	(d) Tariffs		· , •
9.13	Tranguart Reanamies and Statistics	Director	Commissioner McPherson.
	(a) Reports	Chief of section.	
	(b) Research	Chief of section.	
	(a) Reports (b) Research (c) Traffic statistics Water Carriers and Freight For-	Chief of section. Chief of section. Director	Commissioner Hamiss
y. i4	Water Carriers and Freight For- warders.	Director	Commissioner Herring.
	(a) Section 5a applications		
	<ul><li>(a) Section 5a applications.</li><li>(b) Temporary operating authori-</li></ul>		*
	ties.		
	(c) Field staff.	1	

<sup>1</sup> Also serves as the delegate for administration and performance of duties arising under Defense Production Act of 1950, as amended. See Item 6.14.

HAROLD D. McCoy, Secretary.

### **CUMULATIVE CODIFICATION GUIDE—APRIL**

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during April.

3 CFR Page	7 CFR—Continued Page	14 CFR—Continued Page
PROCLAMATIONS:	PROPOSED RULES—Continued	241 2757
Dec. 30, 1907 3199	70 3262	375 2790
Oct. 7, 1911 3199	718 3338	409 3510
2033 3153	722 3529	507 2765,
2286	730 3530 906 3324	3065-3067, 3207, 3396, 3575, 3576 6002794, 2883-
33412831	911 3378	2885, 3022, 3023, 3067, 3123, 3154–
33422943	9122842	3156, 3243, 3316, 3317, 3458, 3576
3343 3153	9303176	601 2794, 2884–2886, 3022, 3023, 3067,
3344 3153	934 3414	3154-3156, 3316, 3317, 3458, 3576
EXECUTIVE ORDERS:	943 3177, 3419	602 2795, 2886, 3067, 3458
Jan. 7, 1903 3474	944 2842	608 3317
July 1, 1908 3199	9472842, 3266	609 2765, 3067, 3459
July 2, 1910 3007	9512993 9612769, 3214	610 3157 PROPOSED RULES:
Feb. 14, 1917`2840 1919½3475	9633420	40 3554
3825 3475	9662859	413554
42033474	9803422	423554
7219 3475	982 3419	2233214
7354 3475	989 3037	298 3339
10837 3097	993 2996	300 3380
10855 3569	995 3337.	302 3380
10874 3457	1010 2769, 3214	507 2804, 2860, 2906, 3476, 3544
108753567 108763569	1023 3080 1025 2899	5143555 6002805—
	1025 2899 1029 3579	2807, 3003, 3086, 3087, 3340, 3341,
5 CFR		3379, 3380, 3426, 3596, 3597.
2 3464	8 CFR	6012805-
43116	212 3550	2808, 3086, 3087, 3179, 3340, 3341,
62755, 2832, 3057 202833	511 3458	3379, 3380, 3423–3426, 3597.
20 2833 36 3543	9 CFR	602 3087, 3127, 3597
89	78 2883	15 CFR
3252877	PROPOSED RULES:	1 3123
6 CFR	131 3127	371 3301
3312877, 3307	201 2803	373 3301
375 3057	10 CFR	376 3301
384 2878	253240	379 3301
4213308, 3570	95 3243	3803301 3853301
4342785	140 2944, 2948	
477 3118	PROPOSED RULES:	16 CFR
482 3309, 3544	140 2999	13 2795, 2833–2835, 2887–2889,
7 CFR	12 CFR	2951-2953, 3024, 3318, 3319, 3551 14
28 3548	217 3395	1352835
51 2878, 3059	218 3464	151 2836
301 3118	221 3154	204 2836
719 2880	563 2832   Proposed Rules:	PROPOSED RULES:
728 2881, 2882, 3119, 3507	220 3556	1522908
729	221	17 CFR
850	5633530	211 3396
855	13 CFR	249 3552
8613120	l a.m	270 3511
862 3121	Proposed Rules:	PROPOSED RULES:
922 3021, 3061, 3312, 3549	107 2860, 3556	239 3127
953 2789, 3062, 3313, 3350, 3549, 3575	1213341	240 3218
955 3510	14 CFR	19 CFR
970	<b>)</b>	3 2890
1001 3313	1 3062   3 3062	8 2795, 3243
1015 3315	4b	11 2837
1021 3395	6	11 2795   23 3350
1024 2789	7 3062	25 3500
1065 3395	40 3062	Proposed Rules:
1069 3314	41 3062	24 3579
1070 3315	423062	263579
1101 3154	433062	20 CFR
PROPOSED RULES: 3154	46 3062   221 3550	2372890, 3396
55 3528	2343458	2552890
		1

Page 

21	CFR	Page	32	CFR-	-Contin	ued	Page	43	CFR—Continued	Page
3		3072	3			3159	, 3464			2797
9		2796								2797
										2797
		3073					3159 3159		LIC LAND ORDERS:	2841
		3351							671	
	2836, 3073, 3207, 3351								1536	3578
	2836, 3024, 3320, 3525		16_			3159	3464		1633	
		3352					3159		2073	
	nocen Dittee						3210		2074	
	120 2804	, 3426	65c.				3552		2075	
	121	2774,					3352		2076	3211
	2860, 3046, 3214, 3530								2077	
	146 3084								2078	3474 3474
	305						2956		2080	
		2000	32	A CFR	<b>?</b>	•			2081	3553
22	CFR		OIA	(Ch, X)	D:				2082	
			Pro	POSED 1					2083	3578
42		3244		OI Reg	g. 1	3323	3, 3528	15	CFR	
24	CFR		33	CFR				100	Crk	3257
		3208					2756			3257
221.		3209								3257
222.		3209	1							
				CFR						3258
							0700			3527
295.		3209	l				2799	1	ČED .	
25	CFR	•	36	CFR					CFR	0756
1		3124	3				3124	154.	2892, 3210	2756
Pro	POSED RULES:						3124		2092, 3210	
	88	3079	Pro	POSED 1						0020
	184	2803	١.					47	CFR	
26	(1954) CFR		٠.	6			3213	3	2893, 3175	5, 3211
		2837	37	CFR						
			4				3125			
	POSED RULES:		20	CED						
	1	3075		CFR			0050			
	170		2				3353 2957			
	182		21				3353		POSED RULES:	0110
	194						0000	1	1	3215
	201		39	CFR				l	32906, 3003, 3004	4, 3216
	216		27_					l ·	10	
	221					,			31	
	225								43	3215
	240	2973						49	CFR	
	245 2973		143			317	3353 4 3400			3098
	252					011	1, 0100		3098	
	253			POSED I			3126			
	302	2800	l				0140			3104
29	CFR		41	CFR				76		3104
11_		3025		POSED	Rules:					3104
	1	2891	1	50-20	)2		2804			
PRO	POSED RULES:	04-5	112	CFR						
	616	3178	1 '				3175		2	
	688		73_							
		31.18		POSED 1			. 5051		POSED RULES:	
30	CFR		* "`				2905	- "0	195	3217
301		3322	1							•
31	CFR		1		• • •				CFR	
211		3526	43	CFR	•		0505			2893
	<del>-</del>									3577 2894
32	CFR	0.0404							POSED RULES:	4694
7	3159 3159	8, 3404 0 9 <i>464</i>	199	'			. 2797 2797	PRO	6303'	7. 3262
4	310	o, 0404	1 .190	/			. 4.71	í	V 000	., 5202